



Goods supplied 'in the course of supplying' a GST-free medical service -

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Health Industry Partnership

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This publication (excluding appendixes) is a public ruling for the purposes of the *Taxation Administration Act 1953*.

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If you rely on this ruling, the Commissioner must apply the law to you in the way set out in the ruling (unless the Commissioner is satisfied that the ruling is incorrect and disadvantages you, in which case the law may be applied to you in a way that is more favourable for you – provided the Commissioner is not prevented from doing so by a time limit imposed by the law). You will be protected from having to pay any underpaid tax, penalty or interest in respect of the matters covered by this ruling if it turns out that it does not correctly state how the relevant provision applies to you.

Goods supplied 'in the course of supplying' a GST-free *medical service

1. Section 38-7(3) provides that a supply of goods is GST-free if:
 - a. it is made to an individual in the course of supplying to him or her a *medical service the supply of which is GST-free, and
 - b. it is made at the premises at which the medical service is supplied.
2. The above requires interpretation of what is meant by a supply of goods 'made to an individual in the course of supplying to him or her, a *medical service the supply of which is GST-free'.
3. This phrase is interpreted to require that the goods are supplied at the same point in time at which the GST-free *medical service is supplied and that the goods have been either:
 - a. customised or manipulated for the exclusive treatment of the illness or disability of the particular patient who is the recipient of the GST-free *medical service, or
 - b. necessarily utilised as an integral part of the patient's treatment, required immediately during that specific attendance.