



Pharmacist responsibilities -

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Pharmaceutical Health Forum

Pharmacist responsibilities

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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.

What responsibility does a Pharmacist have in regard to subsection 38-50(7)?

1. Under subsection 38-50(7) of the GST Act supplies of drugs or medicinal preparations will be **GST-free** if, and only if:
 - a. the drug or medicinal preparation is for human use or consumption; and
 - b. the supply is to an individual for private or domestic use or consumption.
2. For the purposes of subsection 38-50(7), it is considered that it is not the responsibility of the Pharmacist to ask each customer the purpose for which they are purchasing the drugs or medicinal preparations. Having said that, the ATO is not prescribing that Pharmacists don't ask questions. A Pharmacist should make whatever enquires he/she feels necessary to satisfy himself/herself that the supply is being made in circumstances where the drugs or medicines are to be used for private and domestic human use or consumption.
3. Further, where a Pharmacist or their staff members know or reasonably should know that the supply is being made in circumstances where the drugs or medicines are not likely to be used for private and domestic human use or consumption, then the sale should be treated as a taxable supply unless the customer indicates otherwise. For example, where goods are ordered by a business purchase form the supply should be treated as taxable.