

***GSTE 2013/1 (As Amended) -***



**Australian Government**  
**Australian Taxation Office**

# ***Goods and Services Tax: Correcting GST Errors Determination 2013***

***as amended***

made under subsection 17-20(1) of the *A New Tax System (Goods and Services Tax) Act 1999*.

## **Compilation No.1**

Compilation date: 1 March 2017

This compilation was prepared on 23 February 2017 taking into account amendments up to *Correcting GST Errors Amendment Determination 2017 (No.1)* (F2017L00143).

Prepared by Indirect Tax Business Line, Australian Taxation Office.

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*Goods and Services Tax: Correcting GST Errors Determination 2013*

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## About this compilation

### This compilation

This is a compilation of *Goods and Services Tax: Correcting GST Errors Determination 2013* that shows the text of the law as amended and in force on 01/03/2017 (the **compilation date**).

The notes at the end of this compilation (the **endnotes**) include information about amending laws and the amendment history of provisions of the compiled law.

### Uncommenced amendments

The effect of uncommenced amendments is not shown in the text of the compiled law. Any uncommenced amendments affecting the law are accessible on the Legislation Register ([www.legislation.gov.au](http://www.legislation.gov.au)). The details of amendments made up to, but not commenced at, the compilation date are underlined in the endnotes. For more information on any uncommenced amendments, see the series page on the Legislation Register for the compiled law.

### Application, saving and transitional provisions for provisions and amendments

If the operation of a provision or amendment of the compiled law is affected by an application, saving or transitional provision that is not included in this compilation, details are included in the endnotes.

### Modifications

If the compiled law is modified by another law, the compiled law operates as modified but the modification does not amend the text of the law. Accordingly, this compilation does not show the text of the compiled law as modified. For more information on any modifications, see the series page on the Legislation Register for the compiled law.

### Self-repealing provisions

If a provision of the compiled law has been repealed in accordance with a provision of the law, details are included in the endnotes.

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## 1 Name of Determination

This Determination is the *Goods and Services Tax: Correcting GST Errors Determination 2013*.

## 3 Application

- a. This Determination applies in working out a net amount for a tax period for which you give the Commissioner your GST return on or after the commencement date of the Determination.
- b. This Determination does not apply in working out a net amount for a tax period that started before 1 July 2012.

## 4 The object and purpose of this Determination

- (1) This Determination specifies the circumstances in which you may, in working out your net amount for a tax period, correct errors that were made in working out your net amount for an earlier tax period.
- (2) Applying this Determination will minimise your compliance costs and any liability you may have for the general interest charge or to administrative penalties because you will not need to revise your GST return or request the Commissioner to amend your assessment, in those circumstances.
- (3) Applying this Determination will also minimise the Commissioner's administrative costs because it will result in reduced costs in processing revised GST returns or requests for amendments.

## 5A You cannot correct an error by requesting an amendment for a later tax period

To avoid doubt, you cannot correct an error from an earlier tax period in a later tax period by requesting an amendment of your assessable amount for that later tax period.

## 5 Circumstances where an error may be corrected

In working out your net amount for a tax period, you may correct an **error** made in working out your net amount for an earlier tax period:

- (a) if the **error** relates to an amount of GST, an input tax credit or any adjustments under the *A New Tax System (Goods and Services Tax) Act 1999*; and
- (b) if the earlier tax period started on or after 1 July 2012- you lodge the GST return for the later tax period within the period of review for the assessment of the net amount of the earlier tax period; and
- (c) if the earlier tax period started before 1 July 2012 and the **error** does not relate to an amount that:
  - (i) ceased to be payable by you because of section 105-50 in Schedule 1 to the *Taxation Administration Act 1953*; or

- (ii) you are not entitled to because of section 105-55 in Schedule 1 to the *Taxation Administration Act 1953*; and
- (d) if at the time of lodging your GST return for the tax period, the **error**
  - (i) does not relate to a matter that is specified as being subject to a **compliance activity**, and
  - (ii) was not made in working out your net amount for an earlier tax period that is subject to a **compliance activity**, and
- (e) if you have not taken account of that **error**, to any extent, in working out your net amount for another tax period; and
- (f) if the **error** is a **debit error**, all of the conditions in Clause 6 of this Determination are satisfied.

## 6 Additional conditions that apply to correcting a debit error

In working out your net amount for a tax period, a **debit error** made in working out your net amount for an earlier tax period, may only be corrected:

- (a) if the **error** was not a result of recklessness as to the operation of a GST law or intentional disregard of a GST law; and
- (b) if that **error** is corrected in a tax period that is within the debit error time limit that corresponds with your current GST turnover in the table below; and
- (c) to the extent that the **net sum of the debit errors** is within the debit error value limit that corresponds with your current GST turnover in the table below

Current GST turnover	Debit error time limit	Debit error value limit	
Less than \$20 million	The error must be corrected in a GST return that is lodged within 18 months of the due date of the GST return for the tax period in which the error was made.	Less than \$10,000	
\$20 million to less than \$100 million		The error must be corrected in a GST return that is lodged within 12 months of the due date of the GST return for the tax period in which the error was made.	
\$100 million to less than \$500 million			Less than \$20,000
\$500 million to less than \$1 billion			Less than \$40,000
\$1 billion and over			Less than \$80,000
		Less than \$450,000	

## 7 Definitions

The following expressions are defined for the purposes of this Determination:

**compliance activity** is an examination of your GST tax affairs and begins on the day the Commissioner tells you that an examination is to be made and ends on the day when one of the following occurs:

- (a) the Commissioner gives a notice of assessment or amended assessment in relation to the tax period under examination; or
- (b) the Commissioner tells you that the examination has been finalised.

A compliance activity includes matters related to reviews, audits, verification checks, record-keeping reviews/audits and other similar activities.

**credit error** is an error you made in working out your net amount for an earlier tax period that would, if it was the only mistake made in the tax period, have resulted in your net amount or assessed net amount for that earlier tax period being overstated.

**debit error** is an error you made in working out your net amount for an earlier tax period that would, if it was the only mistake made in the tax period, have resulted in your net amount or assessed net amount for that earlier tax period being understated.

**error** is a mistake you made in working out your net amount for a tax period that would, if it was the only mistake made in the tax period, have resulted in your net amount or assessed net amount being overstated or understated.

An error does not include an amount that the Commissioner need not refund to you under section 105-65 in Schedule 1 to the *Taxation Administration Act 1953*, unless the Commissioner exercises the discretion to give you a refund.

**net sum of the debit errors** is the sum of one or more debit errors less the sum of any **credit errors** which you include in the net amount for the tax period in which you seek to correct the relevant debit error.

Other expressions in this Determination have the same meaning as in the *A New Tax System (Goods and Services Tax) Act 1999* and the *Taxation Administration Act 1953*.

## Endnotes

### Endnote 1—About the endnotes

The endnotes provide information about this compilation and the compiled law.

The following endnotes are included in every compilation:

Endnote 1—About the endnotes

Endnote 2—Abbreviation key

Endnote 3—Legislation history

Endnote 4—Amendment history

### Abbreviation key—Endnote 2

The abbreviation key sets out abbreviations that may be used in the endnotes.

### Legislation history and amendment history—Endnotes 3 and 4

Amending laws are annotated in the legislation history and amendment history.

The legislation history in endnote 3 provides information about each law that has amended (or will amend) the compiled law. The information includes commencement details for amending laws and details of any application, saving or transitional provisions that are not included in this compilation.

The amendment history in endnote 4 provides information about amendments at the provision (generally section or equivalent) level. It also includes information about any provision of the compiled law that has been repealed in accordance with a provision of the law.

### Misdescribed amendments

A misdescribed amendment is an amendment that does not accurately describe the amendment to be made. If, despite the misdescription, the amendment can be given effect as intended, the amendment is incorporated into the compiled law and the abbreviation “(md)” added to the details of the amendment included in the amendment history.

If a misdescribed amendment cannot be given effect as intended, the abbreviation “(md not incorp)” is added to the details of the amendment included in the amendment history.

**Endnote 2—Abbreviation key**

ad = added or inserted	o = order(s)
am = amended	Ord = Ordinance
amdt = amendment	orig = original
c = clause(s)	par = paragraph(s)/subparagraph(s) /sub-subparagraph(s)
C[x] = Compilation No. x	pres = present
Ch = Chapter(s)	prev = previous
def = definition(s)	(prev...) = previously
Dict = Dictionary	Pt = Part(s)
disallowed = disallowed by Parliament	r = regulation(s)/rule(s)
Div = Division(s)	reloc = relocated
exp = expires/expired or ceases/ceased to have effect	renum = renumbered
F = Federal Register of Legislation	rep = repealed
gaz = gazette	rs = repealed and substituted
LA = <i>Legislation Act 2003</i>	s = section(s)/subsection(s)
LIA = <i>Legislative Instruments Act 2003</i>	Sch = Schedule(s)
(md) = misdescribed amendment can be given effect	Sdiv = Subdivision(s)
(md not incorp) = misdescribed amendment cannot be given effect	SLI = Select Legislative Instrument
mod = modified/modification	SR = Statutory Rules
No. = Number(s)	Sub-Ch = Sub-Chapter(s)
	SubPt = Subpart(s)
	<u>underlining</u> = whole or part not commenced or to be commenced



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**Endnote 3 —Legislation history**

<b>Name</b>	<b>Registration</b>	<b>Commencement</b>	<b>Application, saving and transitional provisions</b>
<i>Goods and Services Tax: Correcting GST Errors Determination 2013</i>	<i>9 May 2013 (F2013L00754)</i>	<i>10 May 2013 c 2</i>	
<i>Correcting GST Errors Amendment Determination 2017 (No.1)</i>	<i>22 February 2017 (F2017L00143)</i>	<i>1 March 2017 c 2</i>	<i>c 3</i>

**Endnote 4 —Amendment history**

<i>Provisions affected</i>	<i>How affected</i>
c 2	rep LA s48D
c 5A	ad F2017L00143
c 5	am F2017L00143