

RCTI 2017/11 -



Legislative Instrument

Goods and Services Tax: Classes of Recipient Created Tax Invoice Determination 2017 for Caravan Park Operators

I, Timothy Dyce, Deputy Commissioner of Taxation, make this determination under subsection 29-70(3) of the *A New Tax System (Goods and Services Tax) Act 1999* (GST Act).

Timothy Dyce

Deputy Commissioner of Taxation

Dated: 11/04/2017

1. Name of determination

This determination is the *Goods and Services Tax: Classes of Recipient Created Tax Invoice Determination 2017 for Caravan Park Operators*.

2. Commencement

This determination commences on 1 April 2017.

3. Repeal of previous determination

This determination replaces determination *A New Tax System (Goods and Services Tax) Act 1999 Classes of Recipient Created Tax Invoice Determination (No.15) 2000 - F2006B00662* (previous determination), registered on 2 November 2006. The previous determination is repealed from 1 April 2017.

4. Application

This determination applies to a **caravan park operator** that satisfies the requirements of this determination.

This determination is substantially the same as the previous determination that it replaces. An entity that satisfied the requirements of the previous determination and that is a **caravan park operator** will satisfy the requirements of this determination.

5. Class of tax invoices that may be issued by the recipient of a taxable supply under this determination

A **caravan park operator**, who is the recipient of a taxable supply, may issue a tax invoice that belongs to a class of tax invoice for a taxable supply of **caravan park management services** if they:

- (a) establish the value of the taxable supply using a calculation process; and

- (b) satisfy the requirements set out in paragraph 6.

6. Requirements that must be satisfied by a recipient of a taxable supply under this determination

A recipient must satisfy the following requirements:

- (a) the supplier and the recipient must be registered for GST when the tax invoice is issued
- (b) the recipient must set out in the tax invoice the ABN of the supplier
- (c) the recipient must issue the original or a copy of the tax invoice to the supplier within 28 days of making, or determining, the value of the taxable supply and must retain the original or the copy
- (d) if there is an adjustment the recipient must issue the original or a copy of an adjustment note to the supplier within 28 days of the adjustment and must retain the original or the copy
- (e) the recipient must reasonably comply with its obligations under the taxation laws, and
- (f) the recipient must have either a written agreement with the supplier that meets the requirements of paragraph 7, or a written agreement embedded in the Recipient Created Tax Invoice (RCTI) that meets the requirements of paragraph 8.

7. Requirements of a written agreement with the supplier other than a written agreement embedded in an RCTI

The written agreement the recipient has with the supplier must:

- (a) specify the supplies to which it relates
- (b) be current and effective when the RCTI is issued; and
- (c) contain the following conditions:
 - (i) the recipient can issue tax invoices in respect of the supplies
 - (ii) the supplier will not issue tax invoices in respect of the supplies
 - (iii) the supplier acknowledges that it is registered for GST when it enters into the agreement and that it will notify the recipient if it ceases to be registered, and
 - (iv) the recipient acknowledges that it is registered for GST when it enters into the agreement and that it will notify the supplier if it ceases to be registered.

8. Requirements of a written agreement embedded in an RCTI

The agreement that the recipient has with the supplier that is embedded in the RCTI must contain the following statement:

The recipient and the supplier declare that this agreement applies to supplies to which this tax invoice relates. The recipient can issue tax invoices in respect of these supplies. The supplier will not issue tax invoices in respect of these supplies. The supplier acknowledges that it is registered for GST and that it will notify the recipient if it ceases to be registered. The recipient acknowledges that it is registered for GST and that it will notify the supplier if it ceases to be registered for GST. Acceptance of this RCTI constitutes acceptance of the terms of this written agreement.

Both parties to this supply agree that they are parties to an RCTI agreement. The supplier agrees to notify the recipient if the supplier does not wish to accept the proposed agreement within 21 days of receiving this document.

9. Definitions

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

caravan park operator means the entity that owns or otherwise has the overall control of the caravan park;

caravan park management services means managing and conducting the daily operations of a caravan park on behalf of the **caravan park operator**. This includes taking bookings, receipting tourist fees as well as the overall maintenance of the caravan park;

Other expressions in this determination have the same meaning as in the GST Act.