

WTI 2013/1 -



Legislative Instrument

A New Tax System (Goods and Services Tax) Waiver of Tax Invoice Requirement (Acquisitions Under an Agency Relationship) Legislative Instrument 2013

I, James O'Halloran, Deputy Commissioner of Taxation, make this legislative instrument under subsection 29-10(3) of the *A New Tax System (Goods and Services Tax) Act 1999* (GST Act).

1. Name of instrument

This legislative instrument is the *A New Tax System (Goods and Services Tax) Waiver of Tax Invoice Requirement (Acquisitions under an Agency Relationship) Legislative Instrument 2013*.

2. Commencement and application of this instrument

- (a) This legislative instrument commences on 1 July 2010.
- (b) This legislative instrument applies to net amounts for tax periods commencing on or after 1 July 2010.
- (c) This legislative instrument does not revoke, amend or vary any previous legislative instrument made by the Commissioner or delegate.

3. Waiver of the requirement to hold a tax invoice

For the purposes of attributing an input tax credit for a creditable acquisition to a tax period, a recipient that makes an acquisition of a thing or things:

- (a) through their agent;
- (b) through their insurance broker;¹ or
- (c) by way of a supply made through the supplier's agent,²

is not required (under subsection 29-10(3) of the GST Act) to hold a tax invoice for the creditable acquisition if the requirements provided by this instrument are satisfied. However, this instrument does not apply to acquisitions covered by Division 111 of the GST Act.

¹ Subsection 153-25(1) of the GST Act treats an insurance broker who is an agent for a recipient as an agent of the insurer.

² It does not matter that the agent for either the recipient or the supplier may have transacted either by disclosing the agency relationship but without naming the principal or by not disclosing either the agency relationship or the principal.

4. Waiver from holding a tax invoice requirements

At the time the recipient gives its GST return for the tax period to the Commissioner:

- (a) the recipient or their agent must hold a document for the creditable acquisition of the thing or things that was issued by:
 - (i) the supplier
 - (ii) the supplier's agent; or
 - (iii) the recipient's insurance broker; and
- (b) the document must meet the information requirements set out in clause 5.

5. Document information requirements

The document referred to in clause 4 must:

- (a) meet the requirements of paragraphs 29-70(1)(a) and 29-70(1)(c) of the GST Act, other than subparagraphs 29-70(1)(c)(i) and/or (ii) of the GST Act; and
- (b) contain enough information to enable the following to be clearly ascertained from the document:
 - (i) where the requirements of subparagraph 29-70(1)(c)(i) of the GST Act are not met and the recipient makes a creditable acquisition of a thing or things by way of a supply made through the supplier's agent or an insurance broker – the identity and ABN of the supplier's agent or the insurance broker; and
 - (ii) where the requirements of subparagraph 29-70(1)(c)(ii) of the GST Act are not met and the recipient makes a creditable acquisition through their agent – the identity or ABN of their agent if the total price of the thing or things acquired is at least \$1,000 (or such higher amount as the regulations made under section 29-70 of the GST Act may specify).

6. Definitions

- (1) **Insurance broker** has the same meaning as in the GST Act, and includes a reinsurance broker.
- (2) Other expressions in this legislative instrument have the same meaning as in the GST Act.

Dated 19 March 2013

James O'Halloran
Deputy Commissioner of Taxation