


***GSTA TPP 012 - Goods and services tax: Is a landlord who is renting furnished premises to tenants required to apportion the rent between the occupancy of the real property and the right to use the furnished items?***

 This cover sheet is provided for information only. It does not form part of *GSTA TPP 012 - Goods and services tax: Is a landlord who is renting furnished premises to tenants required to apportion the rent between the occupancy of the real property and the right to use the furnished items?*

 This document has changed over time. This is a consolidated version of the ruling which was published on *31 October 2012*



## Goods and Services Tax Advice

Goods and services tax: is a landlord who is renting furnished premises to tenants required to apportion the rent between the occupancy of the real property and the right to use the furnished items?

### Preamble

*This document was published prior to 1 July 2010 and was a public ruling for the purposes of former section 37 of the **Taxation Administration Act 1953** and former section 105-60 of Schedule 1 to the **Taxation Administration Act 1953**.*

*From 1 July 2010, this document is taken to be a public ruling under Division 358 of Schedule 1 to the **Taxation Administration Act 1953**.*

*A public ruling is an expression of the Commissioner's opinion about the way in which a relevant provision applies, or would apply, to entities generally or to a class of entities in relation to a particular scheme or a class of schemes.*

*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.*

**[Note:** This is a consolidated version of this document. Refer to the Legal Database (<http://law.ato.gov.au>) to check its currency and to view the details of all changes.]

### Answer

The answer depends on whether the rental of the furnished premises consists of separate supplies of the residential premises and the furnished items (chattels not fixtures), or is a single composite supply or a single mixed supply (as referred to in Goods and Services Tax Ruling GSTR 2001/8). The analysis is essentially a question of fact and degree in each case, involving an examination of all the circumstances in which the transaction takes place.

Unless the supply of the premises can be separately identified from the supply of the furnished items, the rental of furnished residential premises is a single supply. It is then a question of whether it is a mixed supply or a composite supply according to the guidelines set out in GSTR 2001/8.

Apportionment of the rent is only necessary where the rental of the furnished premises consists of separate supplies of residential premises and other things, or is a mixed supply. This is to enable the application of the correct GST treatment to the transaction in question.

### Application of this GST Advice

This Advice applies [to tax periods commencing] both before and after its date of issue. However, this Advice will not apply to taxpayers to the extent that it conflicts with the terms of a settlement of a dispute agreed to before the date of issue of this Advice (see paragraphs 75 and 76 of Taxation Ruling TR 2006/10).

***Related Rulings/Determinations/GST Advice:***

TR 2006/10; GSTR 2001/8

***Subject references:***

mixed supply  
composite supply  
residential premises

***Legislative references:***

TAA 1953 Sch 1 Div 358

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**ATO references**

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