


GSTA TPP 019 - Goods and services tax: Are sales of section 100-5 vouchers, commonly referred to as face value vouchers (FVVs), to retail outlets and subsequent sales of the same vouchers to customers taxable supplies?

 This cover sheet is provided for information only. It does not form part of *GSTA TPP 019 - Goods and services tax: Are sales of section 100-5 vouchers, commonly referred to as face value vouchers (FVVs), to retail outlets and subsequent sales of the same vouchers to customers taxable supplies?*

 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: are sales of section 100-5 vouchers, commonly referred to as face value vouchers (FVVs), to retail outlets and subsequent sales of the same vouchers to customers taxable supplies?

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

No. The sales of section 100-5 vouchers, commonly referred to as face value vouchers (FVVs), to retail outlets and their subsequent sale to customers are not taxable supplies under subsection 100-5(1) of the *A New Tax System (Goods and Services Tax) Act 1999* (GST Act).

Background

An entity sells FVVs to various retail outlets that sell them to their customers. The entity may or may not be the supplier of the goods and services made on redemption of the FVV

Explanation

A FVV may be supplied through various entities before it comes into the possession of the holder who uses it to obtain supplies. Each supply of a FVV between intermediate entities is a supply to which section 100-5 applies.

Division 100 provides that, except where subsection 100-5(2) applies, the supplies of the FVVs by the entity to a retail outlet and by the retail outlet to a customer for consideration are not taxable supplies. No GST is payable for those supplies. GST is payable by the supplier of the supplies made on redemption of the FVV if those supplies are taxable supplies.

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).

Commissioner of Taxation
14 June 2005

Related Rulings/Determinations/GST Advice:

TR 2006/10

Subject references:

face value vouchers
taxable supplies

Legislative references:

ANTS(GST)A 1999 9-5
ANTS(GST)A 1999 Div 100
ANTS(GST)A 1999 100-5
ANTS(GST)A 1999 100-5(2)
TAA 1953 Sch 1 Div 358

ATO references

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