



***GSTA TPP 020 - Goods and services tax: When a retail outlet makes a supply to a customer in exchange for a section 100-5 voucher, commonly referred to as a face value voucher (FVV), is the supply by the retail outlet a taxable supply?***

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 This document has changed over time. This is a consolidated version of the ruling which was published on *14 June 2005*



## Goods and Services Tax Advice

**Goods and services tax:** When a retail outlet makes a supply to a customer in exchange for a section 100-5 voucher, commonly referred to as a face value voucher (FVV), is the supply by the retail outlet a taxable supply?

### Preamble

*This document is a ruling for the purposes of section 37 of the Taxation Administration Act 1953. It illustrates the principles contained in **Goods and Services Tax Ruling GSTR 2003/5 on vouchers**. You can rely on the information presented in this document, which provides advice on the operation of the GST system.*

### Answer

Yes. The supply by the retail outlet to a customer on redemption of a FVV is a taxable supply if the requirements of section 9-5 are satisfied.

### Background

An entity sells FVVs to various retail outlets that sell them to their customers. Under the agreement, the FVVs can be redeemed at any participating retail outlet and the entity will reimburse a retail outlet that supplies goods on redemption of a voucher which it did not sell. A retail outlet makes a supply of goods to a customer on redemption of the FVV.

### Explanation

For section 100-5 vouchers (FVVs), the supply of a FVV for consideration is not a taxable supply, and there is no GST payable on that supply. A GST liability will arise on redemption of a FVV if the FVV is redeemed for a supply of goods or services that is a taxable supply under section 9-5.

*Note: The retail outlet that makes the supply on redemption may not be the retailer that sold the FVV to the customer. In this circumstance, the entity may pay the retail outlet that makes the supply on redemption. See GSTA TPP 21 for an explanation of the GST outcomes for this circumstance.*

### Application of this GST Advice

This Advice is based on GSTR 2003/5. It explains our view of the law as it applied from 1 July 2000. You can rely on this Advice on and from its date of issue for the purposes of section 37 of the *Taxation Administration Act 1953*. Goods and Services Tax Ruling GSTR 1999/1 explains the GST rulings system and our view of when you can rely on our interpretation of the law in GST public and private rulings.

If this Advice conflicts with a previous private ruling that you have obtained, this public ruling prevails. However, if you have relied on a private ruling, you are protected in respect of what you have done up to the date of issue of this public ruling. This means that if you have underpaid an amount of GST, you are not liable for the shortfall prior to the date of issue of this later ruling. Similarly, you are not liable to repay an amount overpaid by the Commissioner as a refund.

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Commissioner of Taxation  
Date

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**Related Rulings/Determinations/GST Advice**  
GSTA TPP 019

**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 37

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### ATO references

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