



GSTA TPP 045 - Goods and services tax: Can I correct in a current activity statement (BAS), errors resulting from a failure to attribute increasing or decreasing adjustments to required tax periods?

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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: Can I correct in a current activity statement (BAS), errors resulting from a failure to attribute increasing or decreasing adjustments to required tax periods?

Preamble

This document is a ruling for the purposes of section 37 of the Taxation Administration Act 1953. You can rely on the information presented in this document, which provides advice on the operation of the GST system.

Answer

Errors that result from the failure to attribute increasing or decreasing adjustments to their required tax periods can be remedied in the current BAS, provided that the errors satisfy the conditions specified in the *Correcting GST Mistakes* fact sheet.

Explanation

The *Correcting GST Mistakes* fact sheet allows an entity to correct a GST error or omission on a later BAS if the conditions of the fact sheet are met. The fact sheet states that it does not apply to 'adjustments' as defined in GST law.

The reason that the fact sheet does not apply to 'adjustments' as they are defined in GST law, is that an adjustment as such is not an error or omission but is something else that is covered by the rules in the GST Act with its own GST attribution consequences. In most instances, the attribution rules for adjustments do not place an administrative burden on taxpayers or materially affect compliance costs.

However, if an entity makes a mistake and does not attribute an adjustment to the tax period in which it was attributable under GST law, it would ordinarily need to amend the BAS for that tax period to take account of the adjustment. However, the *Correcting GST Mistakes* fact sheet would treat this situation as a mistake and not an adjustment. An entity would then be able to correct that 'mistake' in a current or later BAS provided that it met the time and correction limits and all other conditions in the fact sheet.

Application of this GST Advice

This Advice 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.

Commissioner of Taxation
Date

Subject references:

correcting GST mistakes
Business Activity Statement
adjustments

Legislative references:

TAA 1953 37

Other references:

Correcting GST Mistakes – fact sheet

ATO references

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