GSTR 2002/2A10 - Addendum - Goods and services tax: GST treatment of financial supplies and related supplies and acquisitions

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Addendum

Goods and Services Tax Ruling

Goods and services tax: GST treatment of financial supplies and related supplies and acquisitions

This Addendum is a public ruling for the purposes of the *Taxation Administration Act 1953*. It amends Goods and Services Tax Ruling GSTR 2002/2 to:

- reflect changes in goods and services tax (GST) law (for instance, changes to the GST legislation applicable to cross-border supplies, and in relation to digital currency)
- include new references to public guidance released relating to financial supplies
- modernise parts of the Ruling
- include a new buy-now pay-later example that applies the Australian Taxation Office's longstanding view on interest-free loans, and
- make several updates to Schedule 2 of the Ruling to indicate when certain foreign-currency-denominated products and overseas payment products are GST-free.

GSTR 2002/2 is amended as follows:

1. Preamble

Omit the preamble; substitute:

> **Relying on this Ruling**
>
> This publication (excluding Schedule 1) is a public ruling for the purposes of the *Taxation Administration Act 1953*.
>
> If this Ruling applies to you, and you correctly rely on it, we will apply the law to you in the way set out in this Ruling. That is, you will not pay any more tax or penalties or interest in respect of the matters covered by this Ruling.

2. Throughout Ruling, including footnotes

(a) Omit all instances of 'Subregulations'; substitute 'Subsections'.

(b) Omit all instances of 'subregulations'; substitute 'subsections'.

(c) Omit all instances of 'subregulation'; substitute 'subsection'.

(d) Omit all instances of 'regulation 40-5.09'; substitute 'section 40-5.09'.

(e) Omit all instances of 'regulation 40-5.10'; substitute 'section 40-5.10'.

(f) Omit all instances of 'regulation 40-5.12'; substitute 'section 40-5.12'.

(g) Omit all instances of '†'; substitute '†'.

(h) Omit all instances of 'Φ'; substitute '§'.

3. Paragraph 1

(a) Omit '*A New Tax System (Goods and Services Tax) Regulations 2009*'; substitute '*A New Tax System (Goods and Services Tax) Regulations 2019*'.

(b) At the end of paragraph 1, insert new footnote A1:

[A1] The GST regulations were remade with effect from 1 April 2019. *A New Tax System (Goods and Services Tax) Regulations 2019* (the new regulations) repealed redundant provisions, simplified language and restructured provisions for ease of navigation. They do not affect the substantive meaning or operation of the provisions. All references to the GST regulations in this Ruling are to the new regulations.

4. Paragraph 4

(a) Omit the wording of the paragraph; substitute:

Unless otherwise stated, all legislative references in this Ruling are to the GST Act and GST regulations. In this Ruling, provisions of the GST Act and the GST regulations are referred to as sections, subsections, paragraphs and subparagraphs (as appropriate) in line with current legislative drafting practice. The format of the provision allows you to distinguish between provisions within the GST Act, as opposed to provisions of the GST regulations. For example, section 40-5 refers to a section of the GST Act, whereas section 40-5.09 refers to a section of the GST regulations.

(b) After the paragraph, insert new paragraph 4A:

4A. From 1 July 2015, the term "Australia" was replaced in nearly all instances within the GST, Luxury Car Tax and Wine Equalisation Tax legislation with the term "indirect tax zone". The scope of the new term, however, remains the same as the now repealed definition of "Australia" used in those Acts. This change was made for consistency of terminology across the tax legislation, with no change in policy or legal effect. In this Ruling, the "indirect tax zone" is referred to as "Australia".

5. Paragraph 5

(a) Omit the fourth sentence; substitute 'Among others, key relevant public rulings for financial suppliers include:'.

(b) Omit all dot points; substitute:

- Goods and Services Tax Ruling GSTR 2003/9 *Goods and services tax: financial acquisitions threshold*;
- Goods and Services Tax Ruling GSTR 2004/1 *Goods and services tax: reduced credit acquisitions*;
- Goods and Services Tax Ruling GSTR 2006/3 *Goods and services tax: determining the extent of creditable purpose for providers of financial supplies*;

- Goods and Services Tax Ruling GSTR 2008/1 *Goods and services tax: when do you acquire anything or import goods solely or partly for a creditable purpose?*

6. Paragraph 6

(a) Omit the first sentence; substitute 'This Ruling applies both before and after its date of issue, subject to the commencement and application provisions of each Act or Regulation to which it refers'.

(b) Omit '20006/10'; substitute '2006/10 *Public Rulings*'.

7. Paragraph 6A

(a) Omit the wording of the paragraph, including footnote 1A; substitute:

Changes made to this Ruling by addenda that issued since its original publication have been incorporated into this version of the Ruling. Refer to each addendum for details of how that addendum amended the Ruling, including the date of effect of the amendments.

(b) After the paragraph, insert new paragraph 6C:

6C. Where an addendum applies to tax periods both before and after its date of issue, both the pre-addendum wording of the Ruling and the revised wording in the addendum apply for tax periods prior to the issue date of the addendum. In these circumstances, entities can choose to rely on either version when applying the Ruling to the past periods.

8. Paragraph 11

After 'described at paragraph 14', insert 'of this Ruling'.

9. Paragraph 12

(a) In footnote 6, after 'and 10', insert 'of this Ruling'.

(b) At the end of the paragraph, insert new footnote 6AA:

[6AA] See GSTRs 2008/1 and 2006/3 for further explanation.

10. Paragraph 13

In footnote 6A, omit 'regulation'; substitute 'section'.

11. Paragraph 14

(a) Omit footnote 8.

(b) In footnote 9, omit 'Goods and Services Tax Ruling GSTR 2003/9 *Goods and Services Tax: financial acquisitions threshold*'; substitute 'GSTR 2003/9'.

12. Paragraph 17

(a) After 'Explanatory Statement to the', insert 'original'.

(b) In footnote 11, omit 'Regulation'; substitute 'Regulations'.

13. Paragraph 18

(a) After 'GSTR 2000/24', insert '*Goods and services tax: Division 129 – making adjustments for changes in extent of creditable purpose*'.

(b) Omit '2006/4'; substitute '2008/1'.

(c) In the second sentence, omit 'these Rulings'; substitute 'those Rulings'.

(d) After the paragraph, insert new paragraphs 18A and 18B:

18A. We have also issued guidance to assist you in determining the extent of your creditable purpose where you make various financial supplies of credit cards, transaction accounts and home loans:

- Goods and Services Tax Ruling GSTR 2004/4 *Goods and services tax: assignment of payment streams including under a typical securitisation arrangement* (see paragraphs 109A to 109BW);
- Goods and Services Tax Determination GSTD 2017/1 *Goods and services tax: when is the supply of a credit card facility GST-free under paragraph (a) of Item 4 in subsection 38-190(1) of the A New Tax System (Goods and Services Tax) Act 1999 (GST Act)?*;
- Goods and Services Tax Ruling GSTR 2019/2 *Goods and services tax: determining the creditable purpose of acquisitions in a credit card issuing business*;
- Goods and Services Tax Ruling GSTR 2020/1 *Goods and services tax: determining the creditable purpose of acquisitions in relation to transaction accounts*; and
- Goods and Services Tax Determination GSTD 2020/1 *Goods and services tax: when is the supply of a transaction account GST-free under table item 3 or table item 4(a) of subsection 38-190(1) of the A New Tax System (Goods and Services Tax) Act 1999?*

18B. The guidance listed in paragraph 18A of this Ruling can be read in conjunction with Practical Compliance Guideline PCG 2019/8 *ATO compliance approach to GST apportionment of acquisitions that relate to certain financial supplies*, which outlines our compliance approach and sets out the framework we use to assess the risk associated with methods to determine extent of creditable purpose of acquisitions relating to certain types of financial supplies.

14. Paragraph 19

(a) After 'meaning given by section 9-10', omit 'of the GST Act'.

(b) In footnote 14, omit 'Regulation'; substitute 'Section'.

15. Paragraph 20

(a) Throughout the paragraph, including in footnotes 16 and 17, omit 'Regulation'; substitute 'Section'.

(b) Throughout the paragraph, omit 'regulation'; substitute 'section'.

(c) After the paragraph, insert new paragraphs 20A and 20B:

> 20A. Subsection 40-5.09(1) provides that the provision, acquisition or disposal of an interest mentioned in the table in subsection 40-5.09(3) is a financial supply if certain conditions are met.
>
> 20B. Subsections 40-5.09(4) and (5) also specifically provide that certain supplies are financial supplies, separate from the requirements of subsection 40-5.09(1). These subsections include certain supplies by an ADI and certain supplies of ATM services where the fee is not more than $1,000.

16. Paragraph 21

After 'discussed at paragraphs 22 to 27', insert 'of this Ruling'.

17. Paragraph 22

In the last sentence, omit 'a financial interest'; substitute 'an interest in or under an item listed in the table in subsection 40-5.09(3)'.

18. Paragraph 23

(a) Omit the wording of footnote 19; substitute 'See subsections 40-5.01, 40-5.07, 40-5.08, 40-5.10 and 40-5.09(4), and subparagraph 40-5.09(1)(b)(ii).'

(b) In footnote 20, omit 'Regulation'; substitute 'Section'.

19. Paragraph 24

Omit the second sentence; substitute:

> The term 'financial interest' is used to describe a supply that may be a financial supply because it is mentioned in a table item of subsection 40-5.09(3) and is capable of satisfying the tests in subsection 40-5.09(1).

20. Paragraph 25

In footnote 22, omit 'Regulation'; substitute 'Section'.

21. Paragraph 26

In footnote 22A, omit 'ruling'; substitute 'Ruling'.

22. Paragraphs 28 and 30

After '40-5.09(3)', omit 'or (4)'.

23. Paragraph 29

(a) Omit 'Allotment'; substitute 'The allotment'.

(b) After 'of an interest includes assignment,' insert 'cancellation, redemption,'.

(c) In footnote 23, omit 'Regulation 40-5.03'; substitute 'Section 196-1.01'.

(d) In footnote 24, omit 'Regulation 40-5.04'; substitute 'Section 196-1.01'.

(e) In footnote 25, omit 'Regulation'; substitute 'Section'.

24. Paragraph 32

(a) After 'discussed at paragraphs 45 to 77', insert 'of this Ruling'.

(b) Omit '106'; substitute '106A of this Ruling'.

25. Paragraph 33

Omit the first sentence; substitute:

> The provision, acquisition or disposal of an interest in or under a table item of subsection 40-5.09(3) is a financial supply if it is for consideration and it meets the other requirements of section 40-5.09.

26. Paragraph 34

(a) Omit footnotes 29 and 29A.

(b) After the paragraph, insert new paragraph 34A:

> 34A. We have expressed views on the consideration for the supply of a credit card facility in paragraphs 11 to 13 of GSTR 2019/2 and on the consideration for the supply of a transaction account in paragraphs 15 to 16 of GSTR 2020/1.

27. Paragraph 36

After '*(the first supply) by Geo*', insert '*Co*.'.

28. Paragraph 37

Omit 'item 2 in subregulation 40-5.09(3))'; substitute 'table item 2 of subsection 40-5.09(3))'.

29. Paragraph 38

(a) In the first sentence, after 'supply that is money', insert 'or digital currency'.

(b) Omit the second sentence; substitute 'The supply of an interest in a credit arrangement is not money or digital currency, nor is it a supply of money or digital currency.'.

(c) In the third sentence, after 'that is a supply of money', insert 'or digital currency'.

(d) Omit the wording of footnote 30; substitute 'Section 195-1 sets out what is included by the terms 'money' and 'digital currency' and the terms are reproduced in the Glossary to this Ruling (Schedule 1).'

30. Paragraph 42

(a) In the last sentence, after 'Satellite', insert 'Limited'.

(b) After the paragraph, insert new paragraphs 42A, 42B and 42C, and heading:

Example 2A: Buy-now, pay-later credit provider

42A. *SmithaPay is a buy-now, pay-later provider, who provides credit to consumers on terms where they need to repay in six equal instalments. Consumers can use the credit to acquire goods and services from participating merchants. Under the contractual arrangements between SmithaPay and those merchants, the merchants accept that the customer's obligation to pay the merchant for the underlying goods or services is discharged by the buy-now, pay-later provider.*[31A]

42B. *SmithaPay does not charge interest to these customers, but it does charge late fees if customers fail to pay on time. Albert enters into such an arrangement to purchase a mobile phone from a merchant.*

42C. *The consideration provided by Albert is the interest in a debt (his obligation to repay) and is money as defined in section 195-1. The supply by SmithaPay of the interest in a credit arrangement is the supply of a financial interest for consideration (the interest in a debt). This would be the case even if SmithaPay did not charge late fees to customers. Any late fees paid by Albert are additional consideration for the supply by SmithaPay of the interest in the credit arrangement to Albert.*

(c) At the end of new paragraph 42A, insert new footnote 31A:

[31A] This example does not address circumstances where there is an assignment of the debt from the merchant as (under typical buy-now, pay-later arrangements) the customer's debt to the merchant is discharged by the buy-now, pay-later provider. Guidance on assignment arrangements is provided in GSTR 2004/4.

31. Paragraph 44

Omit the wording of the paragraph; substitute:

The following Rulings, along with GSTRs 2006/3 and 2008/1, provide an explanation of what is meant by 'carrying on an enterprise' and 'in the course or furtherance of an enterprise':

- Miscellaneous Taxation Ruling MT 2006/1 *The New Tax System: the meaning of entity carrying on an enterprise for the purposes of entitlement to an Australian Business Number*;
- Goods and Services Tax Determination GSTD 2006/6 *Goods and services tax: does MT 2006/1 have equal application to the meaning of 'entity' and 'enterprise' for the purposes of the A New Tax System (Goods and Services Tax) Act 1999?*;
- Goods and Services Tax Ruling GSTR 2002/5 *Goods and services tax: when is a 'supply of a going concern' GST-free?*; and

- Goods and Services Tax Ruling GSTR 2006/4 *Goods and services tax: determining the extent of creditable purpose for claiming input tax credits and for making adjustments for changes in extent of creditable purpose*.

32. Paragraph 45

(a) Omit the first sentence, including footnote 32.

(b) After 'Subsection 9-25(5)', omit 'of the GST Act'.

33. Paragraph 46

After 'paragraph 22', insert 'of this Ruling'.

34. Paragraph 48

After the paragraph, insert new paragraph 48A:

48A. Therefore, in determining whether the provision, acquisition or disposal of the interest is connected with Australia, the tests contained in subsection 9 25(5) are relevant, along with the exceptions outlined in subsection 9-26(1). The principles dealing with when the supply of anything other than goods or real property is connected with Australia are set out in:

- Goods and Services Tax Ruling GSTR 2019/1 *Goods and services tax: supply of anything other than goods or real property connected with the indirect tax zone (Australia)*; and
- Goods and Services Tax Ruling GSTR 2017/1 *Goods and services tax: making cross-border supplies to Australian consumers.*

35. Paragraph 49

(a) Omit the wording of the paragraph, including footnote 33; substitute:

These tests are alternatives, so that the provision, acquisition or disposal of an interest may be connected with Australia if:

- the thing is done in Australia (see paragraphs 29 to 60 of GSTR 2019/1), unless the supply is disconnected under subsection 9-26(1) (see paragraphs 66 to 78 in GSTR 2019/1);
- the provision, acquisition or disposal of the interest is made through an enterprise that the supplier carries on in Australia (see paragraphs 8 to 28 of GSTR 2019/1);
- neither of the above two tests apply and the supply is of a right or option to acquire another thing and the supply of that other thing would be connected with Australia (see paragraphs 61 to 65 of GSTR 2019/1); or
- the recipient is an Australian consumer (see GSTR 2017/1).

In the context of financial supplies, the supplier is the provider, acquirer, or disposer of the financial interest.

(b) After the paragraph, insert new paragraph 49A:

49A. Subsection 9-26(1) outlines exceptions to certain connected with Australia rules. Relevantly for financial supplies, inbound intangible supplies by a non-resident to an Australian-based business recipient will not be connected with Australia, even if they are done in Australia, unless the supplier makes the supply through an enterprise they carry on in Australia.

36. Paragraph 50

Omit the wording of the paragraph; substitute:

Paragraphs 51 to 77B of this Ruling draw on the principles dealing with when something is connected with Australia as set out in the rulings listed in paragraph 49 of this Ruling and are intended to illustrate how those principles apply in the context of financial supplies.

37. Paragraph 51

Omit the first sentence (excluding footnote 34); substitute:

'Thing' is defined to mean anything that can be supplied or imported.[34] 'Thing' includes but is not limited to a service, advice, information, a right, a digital product, obligations to do anything, or any combination of these things.

38. Paragraphs 52 to 60

Omit the paragraphs, including headings.

39. Paragraph 61

(a) Omit the heading.

(b) Omit footnotes 35, 36 and 37.

40. Paragraph 62

(a) Omit the wording of the paragraph; substitute:

Quokka Australia Ltd subscribes for shares in a New Zealand company, Bilby Ltd, which does not carry on an enterprise in Australia. The share subscription agreement is made in New Zealand. The issue (or provision) of the interest in the securities is done in New Zealand, as this is where the contract is made.

(b) After the paragraph, insert new paragraph 62A:

62A. However, even if the thing was done in Australia, if Quokka Australia Ltd is an Australian-based business recipient of the supply, the supply will be disconnected under table item 1 of subsection 9-26(1).

41. Paragraph 63

Omit the paragraph, including heading.

42. Paragraph 64

Omit the wording of the paragraph; substitute:

> *Constructa Ltd, an Australian construction company, has a contract to build warehouses in Malaysia for a South-East Asian importer, Dragon Imports. Dragon Imports requires Constructa Ltd to provide a bank guarantee to finance completion of the project. An Australian bank agrees to supply the guarantee to Dragon Imports for a fee to be paid by Constructa Ltd. Constructa Ltd pays the fee and the guarantee documents are drawn up and executed in Australia. Although the obligee and the project guaranteed are both outside Australia, the creation (or provision) of the interest under the guarantee is done in Australia, as that is where the guarantee agreement is signed. The provision of the guarantee would also be connected with Australia under paragraph 9-25(5)(b) as it is made through an enterprise the Australian bank carries on in Australia. However, the supply may be GST-free if it satisfies the requirements of a table item of subsection 38-190(1). (See paragraphs 144 to 170B of this Ruling.)*

43. Paragraph 65

Omit the wording of the paragraph; substitute:

> Where the provision or disposal of the financial interest is done in Australia, the acquisition of the financial interest will also be done in Australia. However, the supply and acquisition-supply must each be separately considered to determine whether each of them is disconnected under subsection 9-26(1).

44. Paragraph 66

Omit the wording of the paragraph; substitute:

> *Manx Australia Ltd is a GST-registered Australian company which buys shares from a New Zealand company, Bobtail Ltd, which does not carry on an enterprise in Australia. The contract for purchase is made in Australia. The provision of the interest in the securities is done in Australia, as this is where the contract is made. However, the supply of the shares by Bobtail Ltd to Manx Australia Ltd, an Australian-based business recipient, is disconnected from Australia under table item 1 of subsection 9-26(1). The acquisition of the interest in the shares by Manx Australia Ltd is also done in Australia. The acquisition-supply made by Manx Australia Ltd is connected with Australia because the acquisition is done in Australia and is made through an enterprise that Manx Australia Ltd carries on in Australia (satisfying subsections 9-25(5)(a) and (b) respectively) and table item 1 of subsection 9-26(1) does not apply to disconnect the supply. However, the acquisition-supply may be GST-free if it satisfies the requirements of a table item of subsection 38-190(1). (See paragraphs 144 to 170B of this Ruling.)*

45. Paragraph 67

(a) After 'carries on in Australia', insert '(Australian GST presence)'.

(b) After the paragraph, insert new paragraph 67A:

67A. The principles for determining when an entity has an Australian GST presence within the meaning of section 9-27 are outlined in Law Companion Ruling LCR 2016/1 *GST and carrying on an enterprise in the indirect tax zone (Australia)*. GSTR 2019/1 provides guidance on when a supply is made through an Australian GST presence for the purpose of determining whether the supply is connected with Australia under paragraph 9-25(5)(b) (see paragraphs 8 to 28 of this Ruling).

46. Paragraphs 68 to 70

Omit the paragraphs.

47. Paragraph 71

(a) In the second sentence, omit 'enterprise the supplier carries on in Australia'; substitute 'Australian GST presence, or if it is made to an Australian consumer'.

(b) After 'paragraphs 144 to 170', insert 'B of this Ruling'.

48. Paragraph 72

(a) In the first sentence, omit ',Marvel Inc.'; substitute 'with no Australian GST presence, Marvel Inc.,'.

(b) In the fourth sentence, omit 'ten million dollars'; substitute '$10 million'.

49. Paragraph 73

(a) Omit the wording of the paragraph; substitute:

The $10 million worth of notes acquired by Marvel Inc. from Blue Chip Australia are supplied through an Australian GST presence and the supply is connected with Australia. However, the supply may be GST-free if it satisfies the requirements of a table item of subsection 38-190(1). (See paragraphs 144 to 170B of this Ruling.).

(b) After the paragraph, insert new paragraph 73A:

73A. *The acquisition-supply by Marvel Inc. from Blue Chip Australia will not be connected with Australia, even if the thing is done in Australia. It will be disconnected by subsection 9-26(1) because Marvel Inc. is a non-resident that does not make the acquisition-supply through an Australian GST presence and is making a supply to an Australian-based business recipient.*[38AA]

(c) At the end of new paragraph 73A, insert new footnote 38AA:

[38AA] Similar to the outcome in paragraph 115 of this Ruling, the receipt of notes by Marvel Inc. is also an acquisition-supply to Blue Chip Australia.

50. Paragraph 74

Omit the wording of the paragraph (excluding footnote 38A); substitute:

The $10 million worth of notes acquired by Marvel Inc. from Integrity Plus is not supplied through an Australian GST presence and the supply is not connected with Australia. The acquisition-supply by Marvel Inc. is not made through an Australian

GST presence nor done in Australia and therefore is not connected with Australia.[38A]

51. Paragraph 75

In the first sentence, omit 'enterprise the supplier carries on in Australia'; substitute 'Australian GST presence, is not made to an Australian consumer'.

52. Paragraph 76

In the first sentence, omit 'enterprise it carries on in Australia'; substitute 'Australian GST presence'.

53. Paragraph 77

(a) In the third sentence, omit 'enterprise the supplier carries on in Australia.'; substitute 'Australian GST presence, and Boxer Ltd is not an Australian consumer'.

(b) After 'paragraphs 144 to 170', insert 'B of this Ruling'.

54. Paragraph 77A

(a) In the second sentence, omit 'enterprise that is carried on in Australia'; substitute 'Australian GST presence'.

(b) After 'see paragraphs 144 to 170', insert 'B'.

(c) After the paragraph, insert new paragraph 77B, including heading:

Recipient of the supply is an Australian consumer

77B. Under paragraph 9-25(5)(d), a supply of anything other than goods or real property will be connected with Australia if the recipient of the supply is an Australian consumer (refer to GSTR 2017/1).[38AB] This includes supplies of services, rights, entry into or release from obligations or digital products, and can include financial supplies.

(d) After the first sentence in new paragraph 77B, insert new footnote 38AB:

[38AB] A supply that is connected with Australia because it is made to an Australian consumer may still be a financial supply. Table items 12 and 13 to subsection 40-5.09(3) were introduced at the same time as paragraph 9-25(5)(d) to provide consistent treatment of imported financial services which are not covered by Australian regulatory requirements.

55. Paragraph 78

Omit 'Regulation'; substitute 'Section'.

56. Paragraph 80A

(a) Omit 'regulation 40-5.02 in Federal'; substitute 'section 40-5.02 in'.

(b) Omit '*Ltd*'; substitute '*Limited*'.

(c) Omit '*Eaton*,[38C]'; substitute '*Eaton*[38C],'.

57. Paragraph 81

(a) Omit '*Federal Commissioner of Taxation v. Orica Ltd*[39]'; substitute '*Commissioner of Taxation (Cth) v. Orica Ltd*[39]'.

(b) Omit the wording of footnote 39; substitute:

[1998] HCA 33.

58. Paragraph 82

Omit both instances of 'regulation'; substitute 'section'.

59. Paragraph 83

In footnote 43, after 'paragraph 43'; insert 'of this Ruling'.

60. Paragraph 84

(a) Omit the wording of the paragraph; substitute:

The interest must be an interest in, or under, one of the categories set out in the table in subsection 40 5.09(3). These categories are:

- an account made available by an Australian ADI (authorised deposit-taking institution) in the course of its banking business or its State banking business (table item 1 of subsection 40-5.09(3));
- a debt, credit arrangement or right to credit, including a letter of credit (table item 2 of subsection 40-5.09(3));
- a charge or mortgage over real or personal property (table item 3 of subsection 40-5.09(3));
- specified superannuation arrangements (table item 4 of subsection 40-5.09(3));
- an annuity or allocated pension (table item 5 of subsection 40 5.09(3));
- specified life insurance business or related reinsurance business (table item 6 of subsection 40 5.09(3));
- a guarantee (table item 7 of subsection 40 5.09(3));
- an indemnity (table item 7A of subsection 40 5.09(3));
- credit under a hire purchase agreement entered into before 1 July 2012[43A] (table item 8 of subsection 40 5.09(3));
- Australian currency, currency of a foreign country, digital currency or an agreement to buy or sell any of these three things (table item 9 of subsection 40 5.09(3));
- securities (table item 10 of subsection 40-5.09(3));
- derivatives (table item 11 of subsection 40-5.09(3));

- an account made available by a non-resident in the course of carrying on a banking business in a foreign country in which the entity is authorised under the law of that country to carry on a banking business (table item 12 of subsection 40-5.09(3)); and
- a foreign superannuation fund (table item 13 of subsection 40-5.09(3)).

(b) In footnote 43A, after '1 July', insert '2012'.

(c) In footnote 43A, omit 'see item 20 in the table in regulation'; substitute 'see table item 20 of section'.

61. Paragraph 85

(a) In the second sentence, omit 'the subregulation'; substitute 'this subsection'.

(b) After 'mentioned in one item under', insert 'section'.

(c) After 'paragraph 189', insert 'of this Ruling'.

62. Paragraph 87

After 'paragraph 79', insert 'of this Ruling'.

63. Paragraph 88

(a) Omit 'items in the table in subregulation'; substitute 'table items of subsection'.

(b) After 'at paragraphs 91 to 98', insert 'of this Ruling'.

64. Paragraph 89

(a) In the heading, omit '*an item in the table in subregulation*'; substitute '*a table item of subsection*'.

(b) After 'paragraph 91', insert 'of this Ruling'.

65. Paragraph 90

Omit the paragraph, including the heading.

66. Paragraph 91

In footnote 44, after 'GSTR 2001/8', insert '*Goods and services tax: Apportioning the consideration for a supply that includes taxable and non-taxable parts*'.

67. Paragraph 93

(a) In the second sentence, after 'Big Truck', insert 'Haulage Company'.

(b) In the second sentence, after 'caused by Big', omit 'Truck's'; substitute 'Truck Haulage Company's'.

68. Paragraph 96

Omit all instances of 'road side'; substitute 'roadside'.

69. Paragraph 98

Omit 'Goods and Services Tax Ruling'.

70. Paragraph 99

(a) Omit the heading (excluding footnote 45); substitute 'Money or digital currency as consideration for money or digital currency[45]'.

(b) Omit the wording of footnote 45; substitute:

Section 195-1 sets out what is included by the terms 'money' and 'digital currency' and the terms are reproduced in the Glossary to this Ruling (Schedule 1).

(c) In the first sentence, omit 'money like'; substitute 'money-like'.

(d) In the second and third sentences, after all instances of 'money', insert 'or digital currency'.

71. Paragraph 101

(a) In the heading, omit '*Money*'; substitute '*Digital currency*'.

(b) Omit the wording of the paragraph (excluding footnote 47); substitute:

Jeanette buys digital currency from CryptoC for $2,000. Jeanette is making a supply because the $2,000 is provided as consideration for a supply of digital currency. CryptoC is also making a supply, as the digital currency is provided as consideration for a supply of money (the $2,000).

(c) Omit the wording of footnote 47; substitute:

This example illustrates when a supply of money or digital currency is a supply for the purposes of subsection 9-10(4). It does not deal with whether or not Jeanette or CryptoC have made financial supplies. In the example, both the supply of digital currency and the $2,000 (as currency) may be financial supplies under table item 9 of subsection 40-5.09(3).

72. Paragraph 102

After all instances of 'money', insert 'or digital currency'.

73. Paragraph 103

(a) Omit 'GST Regulations'; substitute 'GST regulations'.

(b) Omit 'The Explanatory Statement states that these'; substitute 'These'.

(c) In footnotes 50 and 51, omit 'Regulation'; substitute 'Section'.

(d) Omit footnote 52.

74. Paragraph 104

In footnote 53, omit 'Regulation'; substitute 'Section'.

75. Paragraph 106

Omit 'Regulation'; substitute 'Section'.

76. Paragraph 106A

Omit 'Item 27'; substitute 'table item 27 of subsection 70-5.02(1)'.

77. Paragraph 107

(a) After 'supply facilitator', insert ', in relation to a supply of an interest,'.

(b) After 'supply of', omit 'an'; substitute 'the'.

(c) Omit 'subregulation'; substitute 'subparagraph'.

(d) In footnote 55, omit 'Regulation'; substitute 'Section'.

78. Paragraph 109

(a) After 'paragraphs 257 to 265', insert 'of this Ruling'.

(b) After the paragraph, insert new paragraph 109A:

> 109A. When a financial supply does not involve the supply of an interest, the ordinary meaning of 'financial supply facilitator' applies. The financial supply facilitator is the entity that facilitates the financial supply for the entity making the financial supply.

79. Paragraph 110

Omit 'above'; substitute 'of this Ruling'.

80. Paragraph 113

Omit 'for example brokerage'; substitute 'for example, brokerage'.

81. Paragraph 116

Omit the wording of the paragraph; substitute:

> One consequence of this interpretation is that the acquisition of a financial interest, as well as the provision or disposal of the financial interest, may be GST-free. The supply and the acquisition-supply must each be separately considered to determine whether they satisfy the requirements of subsection 38-190(1). (See paragraphs 144 to 170B of this Ruling.)

82. Paragraph 117

(a) After 'paragraph 20', insert 'of this Ruling'.

(b) In footnote 58, omit 'Regulation'; substitute 'Section'.

83. Paragraph 120

(a) After 'paragraphs 133 to 135', insert 'of this Ruling'.

(b) In footnote 59, omit 'Goods and Services Tax Ruling'.

84. Paragraphs 122, 123, and 125

Omit 'Goods and Services Tax Ruling'.

85. Paragraph 124

(a) Omit 'Goods and Services Tax Ruling'.

(b) After 'paragraph 119', insert 'of this Ruling'.

86. Paragraph 127

Omit 'regulation 40-5.10 of the GST regulations'; substitute 'section 40-5.10'.

87. Paragraph 131

(a) Omit '*Internet*'; substitute '*internet*'.

(b) After '*the fund, Paddie*', insert '*SuperFund*'.

88. Paragraph 132

(a) After '*marketed by Goldenweb*', insert '*Ltd*'.

(b) Omit '*Goldenweb's*'; substitute '*Goldenweb Ltd's*'.

89. Paragraph 137

After '*benefits by LotsaCards*', insert '*Finance*'.

90. Paragraph 138

(a) Omit '*, LotsaCards*'; substitute '*of this Ruling, LotsaCards Finance*'.

(b) After the paragraph, insert new paragraph 138A:

138A. Goods and Services Tax Ruling GSTR 2012/1 *Goods and services tax: loyalty programs* provides guidance on the GST implications of other aspects of certain loyalty programs, such as the accrual and redemption of points by members and transactions between program partners.

91. Paragraph 141

(a) Omit '*to whom*'.

(b) After '*bank has provided*', insert '*with*'.

92. Paragraph 144

(a) In the second sentence, omit 'Items 2, 3 and 4 of the table'; substitute 'Table items 2, 3 and 4'.

(b) In the third sentence, omit 'Item 5'; substitute 'Table item 5'.

(c) In the third sentence, omit 'etc'; substitute 'etcetera'.

(d) In the fourth sentence, omit 'items 1 to 5'; substitute 'table items 1 to 5'.

(e) In the fifth sentence, omit 'item 2; substitute 'table item 2'.

(f) In the sixth sentence, omit 'items 2 to 4'; substitute 'table items 2 to 4'.

(g) Renumber footnote 54A to 64A, and omit the footnote.

(h) After the paragraph, insert new paragraph 144A:

144A. The following GST rulings discuss the application of section 38-190:

- Goods and Services Tax Ruling GSTR 2003/7 *Goods and Services Tax: what do the expressions 'directly connected with goods or real property' and 'a supply of work physically performed on goods' mean for the purposes of subsection 38-190(1) of the A New Tax System (Goods and Services Tax) Act 1999?*;
- Goods and Services Tax Ruling GSTR 2003/8 *Goods and services tax: supply of rights for use outside Australia – subsection 38-190(1), item 4, paragraph (a) and subsection 38-190(2)*;
- Goods and Services Tax Ruling GSTR 2004/7 *Goods and services tax: in the application of items 2 and 3 and paragraph (b) of item 4 in the table in subsection 38-190(1) of the A New Tax System (Goods and Services Tax) Act 1999:*
  - *when is a 'non-resident' or other 'recipient' of a supply 'not in Australia when the thing supplied is done'?*
  - *when is 'an entity that is not an Australian resident' 'outside Australia when the thing supplied is done'?*;
- Goods and Services Tax Ruling GSTR 2005/6 *Goods and services tax: the scope of subsection 38-190(3) and its application to supplies of things (other than goods or real property) made to non-residents that are GST-free under item 2 in the table in subsection 38-190(1) of the A New Tax System (Goods and Services Tax) Act 1999*;
- Goods and Services Tax Ruling GSTR 2007/2 *Goods and services tax: in the application of paragraph (b) of item 3 in the table in subsection 38-190(1) of the A New Tax System (Goods and Services Tax) Act 1999 to a supply, when does 'effective use or enjoyment' of the supply 'take place outside Australia'?*

93. Paragraph 146

(a) Omit the heading; substitute '*Table item 2*'.

(b) Omit 'paragraphs 51'; substitute 'paragraph 51 of this Ruling'.

94. Paragraph 148

Omit the wording of the paragraph; substitute 'However, the supply is not GST-free if any of subsections 38-190(2), (2A) or (3) apply to that supply.'

95. Paragraph 150

(a) After 'United States', insert '(US)'.

(b) After 'GST regulations and', insert 'the'.

(c) Omit 'subsection 38-190(1), item 2'; substitute 'table item 2 of subsection 38-190(1)'.

96. Paragraph 151

After 'paragraph 147', insert 'of this Ruling'.

97. Paragraph 152

(a) Omit the wording of the paragraph (excluding footnote 67); substitute:

A supplier is able to check the GST registration status of a recipient by checking the Australian Business Register. However, the Australian Business Register does not include those non-resident entities that are registered as a 'Limited Registration Entity'.

(b) In footnote 67, omit 'www.bep.gov.au or'.

(c) After the paragraph, insert new paragraph 152A:

152A. For the purposes of determining whether a supply is GST-free under table item 2 of subsection 38-190(1), a check of the Australian Business Register may not, on its own, constitute reasonable grounds for being satisfied the recipient is not registered or required to be registered.

98. Paragraph 156

(a) Omit the heading; substitute '*Table item 3*'.

(b) Omit 'subsection 38-190(2) or (2A) applies'; substitute 'subsections 38-190(2) or (2A) apply'.

99. Paragraph 157

Omit the wording of the paragraph; substitute:

> *Ripper Home Loans, an Australian resident company, securitises its mortgages by assigning the income stream from them to a special purpose vehicle, Ripper Securitisation, an Australian resident entity. Ripper Securitisation then issues securities (that are rights) to a non-resident offshore bank, Landmark Ltd, that sells them to offshore investors. Landmark Ltd does not have a presence in Australia in relation to the supply of securities to it. Ripper Securitisation pays interest on the securities to the investors into their offshore accounts. The effective use and enjoyment of the securities by Landmark Ltd is outside Australia, as Landmark Ltd is a company (a non-individual) that does not have a presence in Australia in relation to the supply of securities (see GSTR 2007/2). This example specifically illustrates a situation where effective use and enjoyment takes place outside Australia. However, the supply may also be GST-free under table items 2 and 4 of subsection 38-190(1).*

100. Paragraph 158

(a) Omit the heading; substitute '*Table item 4*'.

(b) After 'Under', insert 'table'.

(c) After 'of subsection 38-190(1)', insert a comma.

(d) After the paragraph, insert new paragraph 158A:

> 158A. The principles for determining the types of supplies capable of being covered by table item 4 of subsection 38-190(1) and when rights are 'for use outside Australia' are outlined in GSTR 2003/8.[68CA] It is the intended use of those rights, determined objectively, that is relevant in determining whether the rights are for use outside Australia. The actual use of the rights is not relevant, other than as potential evidence of the intended use.

(e) After the first sentence of new paragraph 158A, insert new footnote 68CA:

> [68CA] For guidance on the application of these principles to certain categories of financial supplies, refer to the taxation determinations issued in respect of transaction accounts (GSTD 2020/1), credit cards (GSTD 2017/1), the sale or purchase of financial products on overseas securities or futures exchanges (GSTD 2015/1) and foreign currency exchange transactions (GSTD 2012/5).

101. Paragraph 159

Omit the wording of the paragraph; substitute:

> *A GST-registered Australian company, Never Never Investments P/L (Never Never), sells 100% of the shares in its wholly-owned US subsidiary to another GST-registered Australian company, Kandalex Investments P/L (Kandalex). The US subsidiary operates a profitable business in the US. Kandalex acquires 100% of the shares in the US subsidiary with the intention of holding the shares long term and earning dividend income, using its controlling interest to control the US subsidiary's future business activities. The shares supplied provide Kandalex with various shareholder rights (voting rights, the right to share in company profits, etcetera) which are governed by the relevant US jurisdiction's corporate law.*

102. Paragraph 160

(a) Omit the wording of the paragraph; substitute:

The jurisdiction where the relevant rights would be exercised or enforced by Kandalex is relevant to determining if the rights under the shares are for use outside Australia. In considering the nature of the rights and the surrounding circumstances, the supply of shares by Never Never in the US subsidiary is a supply of rights that are for use outside Australia. The supply is not a supply of rights to which subsections 38 190(2) or (2A) apply. The supply therefore is GST-free under table item 4 of subsection 38-190(1).

103. Paragraphs 161 to 165

Omit the paragraphs, including headings and footnote 68C.

104. Paragraph 166

Omit the heading; substitute '*Determining the residency and location of the recipient*'.

105. Paragraph 167

(a) After the paragraph, insert new paragraph 167A:

167A. To satisfy the requirements for a GST-free supply under table item 2 of subsection 38-190(1), the non-resident must also not be in Australia when the thing supplied is done. Whether an entity is 'not in Australia' at the time when the thing supplied is done requires an analysis based on the facts.[68DA]

(b) At the end of new paragraph 167A, insert new footnote 68DA:

[68DA] See the following paragraphs in GSTR 2004/7: paragraphs 181 to 191; paragraphs 201 to 228 (individuals); paragraphs 229 to 379 (companies); paragraphs 380 to 409 (partnerships); paragraphs 410 to 419 (corporate limited partnerships); paragraphs 420 to 438 (trusts).

106. Paragraph 168

(a) After 'is a resident or a non-resident', insert 'or whether the counterparty is in Australia when the thing supplied is done'.

(b) After 'determine the residency', insert 'or location'.

(c) Omit '(and only in that circumstance)'; substitute '(and only in that circumstance),'.

(d) After 'approximate the residency', insert 'and location'.

(e) In the third dot point, omit 'nor'; substitute 'or'.

107. Paragraph 169

Omit the paragraph, including footnote 68E.

108. Paragraph 170

(a) After 'supply made pursuant to', insert 'table'.

(b) After the paragraph, insert new paragraphs 170A and 170B:

170A. However, subsection 38-190(3) will not prevent a supply from being GST-free under table item 2 where the supply is not an input taxed supply and any of the following apply:

- the other entity (to which the supply is provided or the agreement requires it to be provided) would be an Australian-based business recipient of the supply, if the supply had been made to it;
- the other entity is an individual who is provided with the supply as an employee or an officer of an entity that would be an Australian-based business recipient of the supply, if the supply had been made to it; or
- the other entity is an individual who is provided with the supply as an employee or officer of the recipient and the recipient's acquisition of the thing is solely for a creditable purpose and is not a non-deductible expense.[68G]

170B. If the GST-free status of a supply covered by table item 2 of subsection 38-190(1) is negated by the application of subsection 38-190(3), that supply may still be GST-free if the requirements of another table item are satisfied and subsections 38-190(2) and (2A) do not apply.

(c) At the end of new paragraph 170A, insert new footnote 68G:

[68G] Paragraph 38-190(3)(c).

109. Paragraph 171

(a) Omit the wording of the paragraph (including footnote 69); substitute:

If a supply is not connected with Australia, it will not be a taxable supply under section 9-5 of the GST Act. However, an intangible supply (being the supply of anything other than goods or real property) or supply of low-value goods may be treated as a taxable supply under section 84-5 where certain requirements are satisfied.

(b) After the paragraph, insert new paragraphs 171A, 171B and 171C:

171A. Although the table in subsection 84-5(1) includes several types of supplies that may be subject to the reverse charge, this section of the Ruling focuses on table item 1 of subsection 84-5(1) as this is likely to be the most common item applicable to entities that make financial supplies. An intangible supply will be taxable (except to the extent it is GST-free or input taxed) under table item 1 of subsection 84-5(1) where:

- the supply is not connected with Australia;
- the recipient of the supply acquires the thing supplied solely or partly for the purpose of an enterprise that the recipient carries on in Australia;
- the recipient does not acquire the thing solely for a creditable purpose;
- the supply is for consideration; and
- the recipient is registered, or required to be registered.[69AAAA]

171B. The GST on a supply treated as a taxable supply under section 84-5 is payable by the recipient of the supply and is not payable by the supplier. The charge for GST is reversed, so Subdivision 84-A (containing section 84-5) is commonly referred to as a 'reverse charge' provision.[69AAA]

171C. If Division 84 applies to the provision, acquisition or disposal of an interest mentioned in subsection 40-5.09(3), the provision, acquisition or disposal is a financial supply to the extent that it would, apart from subparagraphs 40-5.09(1)(a)(iii) and (b)(i), be a financial supply.[69AA] That is, it will be a financial supply (and not a reverse charged taxable supply) even if:

- it is not connected with Australia, or
- the supplier is not registered for GST.

(c) At the end of new paragraph 171A, insert new footnote 69AAAA:

[69AAAA] Section 84-5. For the purposes of section 84-5, in determining whether the recipient is required to be registered, the value of such supplies in question (if they were taxable supplies) is counted towards the recipient's GST turnover (see subsection 84-(2)).

(d) At the end of new paragraph 171B, insert new footnote 69AAA:

[69AAA] See also paragraphs 79 to 87 of GSTR 2019/1.

(e) After 'be a financial supply.' in new paragraph 171C, insert new footnote 69AA:

[69AA] Subsection 40-5.09(2).

110. Paragraph 173

Omit 'regulation'; substitute 'section'.

111. Paragraph 174

Omit 'services or other things excluding goods and real property'; substitute 'intangible supplies not connected with Australia and low-value imported goods'.

112. Paragraph 175

(a) In the first sentence, after '*Invest Bank,*', omit '*an*'; substitute '*a GST-registered*'.

(b) Omit '*GST permanent establishment in Australia*'; substitute '*Australian GST presence*'.

(c) Omit the wording of footnote 69A; substitute 'Paragraphs 9-25(5)(c) and (d) do not apply.'.

113. Paragraph 176

(a) After '*Thus*', insert a comma.

(b) After '*section 84-10*', insert a comma.

114. Paragraph 177

(a) Omit the second sentence, including footnote 71.

(b) After the paragraph, insert new paragraph 177A:

177A. If the recipient is not registered or required to be registered, the supply may still be a taxable supply where the supply is to an Australian consumer.[71AAA] GST on taxable supplies to Australian consumers is not subject to the reverse charge in Division 84 (except for certain circumstances where incorrect information is provided to the supplier); rather, GST will be payable by the supplier pursuant to the normal rules.[71AA]

(c) In new paragraph 177A, after 'to an Australian consumer.', insert new footnote 71AAA:

[71AAA] Paragraph 9-25(5)(d).

(d) At the end of new paragraph 177A, insert new footnote 71AA:

[71AA] Sections 9-5 and 9-25.

115. Paragraph 179

(a) After 'provider carries on in Australia,', insert 'are not made to an Australian consumer'.

(b) After 'In these circumstances', insert ', when read on its own'.

116. Paragraph 180

Omit '*to Balmy*'; substitute '*Bank to Balmy Unit Trust*'.

117. Paragraph 185

Omit all dot points; substitute:

- supplies of cheque and deposit forms to an ADI and special forms provided to account holders (table items 1 and 2 of section 40 5.12);
- professional services, including information and advice in relation to a financial supply (table item 3 of section 40-5.12);
- an interest in or under a payment system (table item 4 of section 40 5.12);
- stored value cards not linked to an account with an ADI (table item 5 of section 40-5.12);
- goods supplied in accordance with agreements under which the goods are leased, where the lessors dispose of their rights in the goods to the lessees, or the lessees have no obligation or option to acquire the rights of the lessors in the goods (table item 6 of section 40 5.12);
- an option, right or obligation to make a taxable supply or acquire something the supply of which is a taxable supply, except a mortgage or charge mentioned in table item 3 of subsection 40-5.09(3) (table item 7 of section 40-5.12);
- a supply made as a result of the exercise of an option or right, or the performance of an obligation to make a taxable supply or acquire something the supply of which is a taxable supply (table item 8 of section 40-5.12);

- facilities for trading securities or derivatives and clearance and settlement of those trades (table item 9 of section 40-5.12);
- insurance and reinsurance business (other than life insurance business) (table item 10 of section 40-5.12);
- broking services (table item 11 of section 40-5.12);
- management of the assets or liabilities of another entity (table item 12 of section 40-5.12);
- debt collection services (table item 13 of section 40-5.12);
- sales accounting services under a factoring arrangement (table item 14 of section 40-5.12);
- trustee services (table item 15 of section 40-5.12);
- custodian services in relation to money, digital currency, documents and other things (table item 16 of section 40-5.12);
- currency with a market value that exceeds its stated value as legal tender (table item 17 of section 40-5.12);
- bailment and floorplan arrangements (table item 18 of section 40 5.12);
- goods supplied under a hire purchase agreement entered into on or after 1 July 2012 (table item 19 of section 40 5.12);
- credit under a hire purchase agreement entered into on or after 1 July 2012 (table item 20 of section 40 5.12); and
- a warranty for goods (table item 21 of section 40 5.12).

118. Paragraph 186

In footnote 78, omit 'Regulation'; substitute 'Subsection'.

119. Paragraph 187

(a) After '*One of its customers*', omit '*Marrakesh Holdings*'; substitute '*, Marrakesh Holdings,*'.

(b) In the third, fourth and fifth sentences, after '*Divest*', insert '*Bank*'.

(c) In the fourth, sixth, seventh, eighth and ninth sentences, after '*Marrakesh*', insert '*Holdings*'.

(d) After 'deposit the funds into', omit '*Marrakesh's*'; substitute '*Marrakesh Holding's*'.

(e) After both instances of '*fall within*', insert '*table*'.

120. Paragraph 188

(a) Omit '*Using*'; substitute '*Use*'.

(b) After '*facts as at paragraph 187*', insert '*of this Ruling;*'.

(c) Omit '*however in this scenario*'; substitute '*however, in this example,*'.

(d) Omit '*monthly account*'; substitute '*monthly account*-'.

121. Paragraph 189

(a) Omit the first sentence; substitute 'Table items 1, 2, 5 and 8 of section 40-5.12 refer back specifically to a table item of subsection 40-5.09(3).'

(b) After 'paragraph 85', insert 'of this Ruling'.

(c) Omit 'one item in regulation'; substitute 'one table item of subsection'.

(d) Omit the third sentence; substitute:

> Even if something mentioned in table items 1, 2, 5, or 8 of section 40-5.12 is covered by a table item of subsection 40-5.09(3) in addition to the item specifically mentioned, it is excluded from being a financial supply.

(e) After 'with an account mentioned in', insert 'table'.

(f) After 'interest in or under a debt in', insert 'table'.

122. Paragraph 190

Omit the wording of the paragraph; substitute:

> Table items 7 and 10 of section 40-5.12 also mention specific table items of section 40-5.09 but do so only to exclude them from the operation of the table item of section 40-5.12.

123. Paragraph 193

After 'Goods and Services Tax Ruling GSTR 2000/37', insert '*Goods and services tax: agency relationships and the application of the law*'.

124. Paragraph 195

(a) Omit 'and bank account debits (BAD) tax,'.

(b) Omit 'i.e.'; substitute 'that is'.

125. Paragraph 196

(a) Omit 'Schedule 7'; substitute 'Schedule 2'.

(b) In footnote 81, omit 'Schedule 7'; substitute 'Schedule 2'.

(c) In footnote 81, omit both instances of 'Part'; substitute 'clause'.

126. Paragraph 198

(a) Including in the heading, omit both instances of 'regulation'; substitute 'section'.

(b) After 'input taxed supplies)', insert a comma.

(c) Omit '(Subsection'; substitute 'Subsection'.

(d) Omit 'Goods and Services Tax Ruling GSTR 2006/3)'; substitute 'GSTR 2006/3'.

(e) In footnote 82, omit 'Goods and Services Tax Ruling'.

127. Paragraph 199

(a) In the first sentence, omit 'regulation 70-5.02'; substitute 'sections 70-5.02 and 70-5.02A'.

(b) In the second sentence, omit 'subregulations 70-5.02(1) and (2)'; substitute 'subsections 70-5.02(1) and 70-5.02A(3)'.

128. Paragraph 201

In footnote 85, omit 'regulation'; substitute 'section'.

129. Paragraph 202

(a) In the heading, omit 'dictionary definition –'.

(b) Omit the wording of the paragraph; substitute:

For the purposes of table item 1 of subsections 40-5.09(3) and 40-5.09(4), 'account' means an account made available by an Australian ADI within the meaning of section 9 of the *Corporations Act 2001*.[86]

130. Paragraph 203

(a) At the beginning of the paragraph, insert new sentence:

This does not prevent other supplies or acquisition-supplies that have 'account-like' facilities being financial supplies provided that they satisfy another table item in subsection 40-5.09(3).

(b) After 'example 9', insert 'of this Ruling'.

(c) Omit 'regulation'; substitute 'subsection'.

(d) Omit 'paragraph (a) of the definition of account'; substitute 'table item 1 of subsection 40-5.09(3)'.

131. Paragraph 204

Omit the paragraph.

132. Paragraph 205

(a) Omit the first sentence; substitute:

The purpose of the definition of account in section 196-1.01 is to expand the meaning of 'account' when the term is used outside subsection 40-5.09(3). The definition includes table item 1 of subsection 40-5.09(3) accounts and paragraph (b) extends the meaning of account to include accounts with institutions other than ADIs.[86A]

(b) After 'other than ADIs', insert new footnote 86A:

[86A] Some accounts that fall within table item 12 of subsection 40-5.09(3) of the GST regulations may also meet the requirements of paragraph (b).

(c) Omit the second sentence; substitute:

This expanded meaning of account is of most relevance to subsection 70-5.02(1), in that items referring to accounts (such as table items 1 to 5 and table item 8 of subsection 70-5.02(1)) are not limited to table item 1 Australian ADI accounts.

133. Paragraph 206

After 'Therefore, the meaning of account', insert '(for both subsection 40-5.09(3) and the defined term)'.

134. Paragraph 208

In the heading, omit '*subregulation 70-5.02(2)*'; substitute '*subsection 70-5.02(1)*'.

135. Paragraph 209

(a) Omit the wording of footnote 86; substitute 'Table items 8, 24 and 29 of subsection 70-5.02(1).'.

(b) Omit the wording of footnote 87; substitute 'Table items 1, 2, 6, 7, 10, 11, 14, 15, 17, 26 and 30 of subsection 70-5.02(1).'.

(c) Omit the wording of footnote 88; substitute 'Table items 1, 9, 23 and 24 of subsection 70-5.02(1) and subsection 70-5.02A(3).'.

136. Paragraph 210

In footnote 90, omit '5 FLR 189'; substitute '5 FLR 180'.

137. Paragraph 211

(a) Omit 'item 2'; substitute 'table item 2 of subsection 70-5.02(1)'.

(b) Omit ''Processing services in relation to account information for account providers, including'; substitute 'Processing services in relation to account information for account providers, including the following'.

(c) After 'bulk mailing;', omit 'and'.

(d) Omit 'item 7 applies.''; substitute 'item 7 applies.'

138. Paragraph 212

Omit 'item 2(a); substitute 'table item 2(a) of subsection 70-5.02(1).

139. Paragraph 215

Omit 'items 23 and 24'; substitute 'table items 23 and 24 of subsection 70-05.02(1)'.

140. Paragraph 216

(a) Omit 'The table below'; substitute 'Table 1 of this Ruling'.

(b) After 'mentioned in paragraphs 209 to 215', insert 'of this Ruling'.

(c) Before the table, insert table caption 'Table 1: Interpretation of expressions used in subsection 70-5.02(1)'.

(d) In the table heading row, omit 'Item No'; substitute 'Table item no.'.

(e) In the table subheading, omit 'Regulation 70-5.02(2)'; substitute 'Subsection 70-5.02(1)'.

(f) Under new table subheading 'Subsection 70-5.02(1)', in table item 2, after 'including', insert 'the following …'.

(g) Under new table subheading 'Subsection 70-5.02(1)', in table item 8, after 'in paragraph', omit '6 (b)'; substitute '(b) in table item 6 …'.

(h) Under new table subheading 'Subsection 70-5.02(1)', in table item 10, after 'including', insert 'the following'.

(i) In the table subheading, omit 'Regulation 70-5.02B'; substitute 'Subsection 70-5.02A(3)'.

(j) In footnote 92, omit 'regulation'; substitute 'subsection'.

(k) In footnote 92, after '218 to 219', insert 'of this Ruling'.

(l) Under new table subheading 'Subsection 70-5.02A(3)', in table items 1, 3 and 7, after 'including', insert 'the following'.

(m) Under new table subheading 'Subsection 70-5.02A(3)', in item no 7, omit dot points (c) and (d).

141. Paragraph 218

Omit 'regulation'; substitute 'section'.

142. Paragraph 219

Omit 'subregulation 70-5.02B(1)'; substitute 'subsection 70-5.02A(3)'.

143. Paragraph 220

In footnote 93, omit 'Regulation'; substitute 'Section'.

144. Paragraph 221

Omit '(regulation 70-5.02C)'; substitute '(subsection 70-5.02A(5))'.

145. Paragraph 222

Omit 'regulation 70-5.02C'; substitute 'subsection 70-5.02A(5)'.

146. Paragraph 225

Omit 'regulation'; substitute 'section'.

147. Paragraph 226

(a) In the third and fourth sentences, after 'Papier', insert 'Suppliers'.

(b) Omit 'part however'; substitute 'part; however,'.

148. Paragraph 227

(a) After 'reduced credit acquisitions in', omit 'regulation'; substitute 'section'.

(b) Omit 'item 4 of regulation 70-5.02'; substitute 'table item 4 of section 70-5.02'.

(c) After 'as a reduced credit acquisition and', insert a comma.

149. Paragraph 228

At the end of the paragraph, insert new sentence 'Paragraphs 19 to 24 of GSTR 2001/8 explain how to differentiate between mixed and composite supplies.'.

150. Paragraph 229

Omit 'Goods and Services Tax Ruling GSTR 2001/8 at paragraph 11'; substitute 'Paragraph 11 of GSTR 2001/8'.

151. Paragraph 234

After 'discussed in paragraphs 235 to 256', insert 'of this Ruling'.

152. Paragraph 235

At the end of the paragraph, insert new sentence 'The principles and case law relevant to determining whether a supply includes separately identifiable parts are outlined in paragraphs 45 to 54C of GSTR 2001/8.'

153. Paragraph 236

(a) Omit 'case law from New Zealand and the United Kingdom'; substitute 'GSTR 2001/8'.

(b) Omit 'These cases illustrate'; substitute 'GSTR 2001/8 illustrates'.

154. Paragraph 237

Omit the wording of the paragraph; substitute:

> Further discussion on mixed acquisitions is contained in Goods and Services Tax Determination GSTD 2011/3 *Goods and services tax: do the acquisitions of the services provided under the arrangement described in Taxpayer Alert TA 2010/1*

form part of a reduced credit acquisition made by the financial supply provider under item 9 of the table in subregulation 70-5.02(2) of the A New Tax System (Goods and Services Tax) Regulations 1999?, which specifically deals with supplies from a financial supply facilitator that is related to a financial supply provider.

155. Paragraph 238 to 245

Omit the paragraphs, including footnotes 95 to 101.

156. Paragraph 246

In the first, fourth and sixth sentences, after 'Inca', insert 'Investments'.

157. Paragraph 247

At the end of the paragraph, insert new sentence 'The principles for determining whether a supply is a composite supply that includes integral, ancillary or incidental parts are outlined in paragraphs 55 to 63 of GSTR 2001/8.'

158. Paragraph 248 to 250

Omit the paragraphs, including footnotes 102 to 105.

159. Paragraph 251

(a) Omit '*service Storit provides a number of things such as archive boxes*'; substitute '*service, Storit provides a number of things, such as archive boxes and*'.

(b) Omit 'item 2(a) of subregulation 70-5.02(2)'; substitute 'table item 2(a) of subsection 70-5.02(1)'.

160. Paragraph 252

(a) After 'their accounts with Trusted', insert 'Bank'.

(b) After 'transaction cards from Trendee', omit 'cards'; substitute 'Cards'.

(c) Omit 'e.g.,'; substitute 'for example,'.

(d) Omit 'etc'; substitute 'etcetera'.

(e) Omit 'acquisition the parts can not'; substitute 'acquisition, the parts cannot'.

(f) Omit 'item 3 of subregulation 70-5.02(2)'; substitute 'table item 3 of subsection 70-5.02(1)'.

161. Paragraph 253

Omit 'item 24(h) and 26(h)'; substitute 'table items 24(h) and 26(h) of subsection 70-5.02(1)'.

162. Paragraph 254

(a) Omit '*item 24(h) of subregulation 70-5.02(2)*'; substitute '*table item 24(h) of subsection 70-5.02(1)*'.

(b) After '*as completion of*', omit '*Inca's*'; substitute '*Inca Investment's*'.

(c) In the last sentence, after '*Inca*', insert '*Investments*'.

163. Paragraph 255

(a) Omit 'items 24(h) and 26(h)'; substitute 'table items of 24(h) and 26(h) of subsection 70-5.02(1)'.

(b) Omit 'items 24 and 26'; substitute 'table items of 24 and 26 of subsection 70-5.02(1)'.

(c) After 'different paragraph of that item', insert a comma.

164. Paragraph 256

(a) After '*duties of Overlord Administration*', insert '*Services*'.

(b) In the last sentence, after '*Inca*', insert '*Investments*'.

165. Paragraph 257

(a) In the heading, omit '– items 9, 11, 18, 21, 27, and 28'.

(b) After 'discussed in paragraph 103', insert 'of this Ruling'.

166. Paragraph 258

Omit 'regulation'; substitute 'section'.

167. Paragraph 261

(a) Omit both instances of 'regulation 70-5.02(2)'; substitute 'subsection 70-5.02(1)'.

(b) Omit 'regulation 40-5.07'; substitute 'section 40-5.07'.

168. Paragraph 263

(a) Omit 'subregulation 70-5.02(2)'; substitute 'subsection 70-5.02(1),'.

(b) Omit both instances of 'Limited'; substitute 'Ltd'.

169. Paragraph 264

(a) After 'the advice supplied by Radical', omit ', DMW'; substitute 'Ltd, DMW Ltd'.

(b) Omit 'scenario'; substitute 'example'.

170. Paragraph 265

(a) Omit 'item 9 of subregulation 70-5.02(2)'; substitute 'table item 9 of subsection 70-5.02(1),'.

(b) After the paragraph, insert new paragraph 265A, including heading:

When does an acquisition relate to making a financial supply?

265A. GSTR 2008/1 provides guidance on determining whether an acquisition is for a creditable purpose, including whether the acquisition relates to making supplies that would be input taxed (see Part B of GSTR 2008/1, from paragraph 101 to 196).

171. Paragraph 266

Omit the heading.

172. Paragraph 267

Omit the third sentence; substitute:

GSTR 2000/24 provides general guidance on making adjustments for changes in extent of creditable purpose. Goods and Services Tax Determination GSTD 2012/3 *Goods and services tax: does an adjustment for a change in extent of creditable purpose necessarily arise for services acquired in relation to a proposed merger and acquisition transaction that does not eventuate, or that does not proceed in the manner contemplated at the time the services were acquired?* provides specific guidance on adjustments for changes to extent of creditable purpose arising from merger and acquisition activity or proposed activity.

173. Paragraph 270

After 'from the example at paragraph 268', insert 'of this Ruling'.

174. Paragraph 272

(a) In the first sentence, after '*Belvedere*', omit '*Ltd an investment company*'; substitute '*Ltd, an investment company,*'.

(b) After '*may be most effectively achieved*', omit the comma.

175. Paragraph 273

(a) Omit '*medium sized*'; substitute '*medium-sized*'.

(b) After '*At that time*', insert a comma.

176. Paragraph 274

(a) After '*of the shares in Rochester*', insert '*Enterprises*'.

(b) Omit '*item 9 of subregulation 70-5.02(2*)'; substitute '*table item 9 of subsection 70-5.02(1)*'.

(c) Omit '*(Whether*'; substitute '*Whether*'.

(d) Omit '*item 9)*'; substitute '*table item 9 of subsection 70-5.02(1)*'.

177. Paragraph 278

(a) Omit 'In the above example, Retro invoices Loaner'; substitute 'In Example 42 of this Ruling, Retro Inc. invoices Loaner Bank'.

(b) After 'need for Loaner', insert 'Bank'.

178. Paragraph 283

(a) Omit the first sentence; substitute 'Schedule 1 does not form part of the binding public ruling.'.

(b) Omit 'the Ruling'; substitute 'this Ruling'.

(c) After 'are not exhaustive definitions', insert a comma.

(d) After 'developments or other considerations', insert a comma.

179. Paragraph 286

(a) Omit 'subregulation 40-5.09(3) or (4)'; substitute 'subsection 40-5.09(3)'.

(b) In the first dot point, after 'for consideration;', insert 'and'.

180. Paragraph 287

(a) Omit 'in the table as'; substitute 'in Table 2 of this Ruling'.

(b) Before the table, insert table caption 'Table 2: Requirements for a financial supply in the table in Schedule 2 of this Ruling'.

(c) In table 2, omit 'less than $1,000'; substitute '$1,000 or less'.

(d) In table 2, omit 'Item 1'; substitute 'Table item 1'.

181. Paragraph 288A

(a) After 'However', insert a comma.

(b) Omit the second and third sentences; substitute:

Reference should be made to paragraphs 144 to 170B of this Ruling for guidance on the application of subsection 38 190(1) to financial supplies. While Schedule 2 of this Ruling does provide notes indicating when particular supplies may be GST-free under subsection 38-190(1), Schedule 2 is not intended to be an exhaustive list of all GST-free supplies.

182. Paragraph 289

(a) Omit 'less than $1,000'; substitute '$1,000 or less'.

(b) Omit 'item 1 in subregulation'; substitute 'table item 1 of subsection'.

183. Paragraph 290

Omit the wording of the paragraph; substitute:

> The symbol "§" indicates that the term is defined in Schedule 1 of this Ruling. The definitions provided in Schedule 1 are provided to assist in interpreting the various terms but do not form part of this Ruling (see paragraph 283 of this Ruling).

184. Paragraph 291

Omit '40-5.10, namely'; substitute '40-5.10; namely,'.

185. Paragraph 292

(a) Omit 'the table as'; substitute 'Table 3 of this Ruling'.

(b) Before the table, insert table caption 'Table 3: Incidental financial supplies in the table in Schedule 2 of this Ruling'.

(c) In Table 3, omit 'Item'; substitute 'Table item'.

186. Paragraph 293

(a) Omit 'item 1; substitute 'table item 1'.

(b) Omit 'item 2 in subregulation 40-5.09(3)'; substitute 'table item 2 of subsection 40-5.09(3)'.

187. Paragraph 295

(a) Omit 'the table as:'; substitute 'Table 4 of this Ruling'.

(b) Before the table, insert table caption 'Table 4: 'Requirements for a non-financial supply in the table in Schedule 2 of this Ruling'.

(c) In the table, omit 'Item 4'; substitute 'Table item 4'.

188. Paragraph 296

After 'section 9-5', omit 'of the GST Act'.

189. Paragraph 297

After 'fourth column', insert 'of Table 4 of this Ruling'.

190. Paragraph 301 (Detailed contents list)

(a) After 'contents list for this', omit 'Good and Services Tax'.

(b) After '*Example 2: Consideration for an interest-free loan*', insert
'*Example 2A: Buy-now, pay-later credit provider* 42A'.

(c) Under the entry '*Thing is done in Australia?*', omit the entries:

(i) '*Supply of a service* 54'

(ii) '*The creation, grant, transfer, assignment or surrender of a right* 55'

(iii) '*Entry into, or release from, an obligation* 58'

(iv) '*The provision, acquisition or disposal of a financial interest* 61'

(v) '*Example 4: Provision of a financial interest – thing is done in Australia* 63'.

(d) After the entry '*Supply is of a right or option to acquire another thing and the supply of the other thing would be connected with Australia*', insert new entry:

'*Recipient of the supply is an Australian consumer* 77B'.

(e) Under the entry '***What is an 'interest' in relation to a financial supply?***':

(i) omit '*an item in the table in subregulation 40-5.09(3)*'; substitute '*a table item of subsection 40-5.09(3)*'

(ii) omit

'*Example 10: Supply of something that is an interest in or under an item and something that is not an interest in or under an item* 90'.

(f) Omit '***Money as consideration for money'***; substitute ***'Money or digital currency as consideration for money or digital currency***'.

(g) Omit '*Example 14: Money*'; substitute '*Example 14: Digital currency*'.

(h) Omit the entry:

'Item 2 146';

substitute

'Table item 2 146'

(i) Omit the entry:

'Item 3 156';

substitute

'Table item 3 156'

(j) Omit the entry:

'Item 4 158';

substitute

'Table item 4 158'

(k) Omit the entries:

'*Is there a connection between the supply and the GST permanent establishment?* 161'

'*Example 25: Supply made through a GST permanent establishment in Australia, but GST-free* 162'

'*Example 26: Supply made through a permanent establishment outside Australia* 165'

(l) Omit 'Determining whether the recipient is not a resident'; substitute 'Determining the residency and location of the recipient'.

(m) Omit '***Reduced credit acquisitions – regulation 70-5.02***'; substitute '***Reduced credit acquisitions – section 70-5.02***'.

(n) Omit '*dictionary definition –*'.

(o) Omit '*Is subregulation 70-5.02(2)*'; substitute '*subsection 70-5.02(1)*'.

(p) Omit ***'– items 9, 11, 18, 21, 27 and 28'***; substitute '***?***'.

(q) Omit '**266**'; substitute '**265A**'.

191. Schedule 1: Page status

Throughout the Schedule, in the Page status, omit 'legally binding'; substitute 'not legally binding'.

192. Schedule 1: Glossary of Terms

Under the heading, insert 'This Glossary of Terms is provided for information only. It does not form part of the binding public ruling.'.

193. Schedule 1: Abbreviations

(a) Before the table, insert table caption '**Table 5: Legislation used in this Glossary of Terms**'.

(b) In the table, after '*A New Tax System (Goods & Services Tax) Regulations*', omit '1999'; substitute '2019'.

194. Schedule 1: Account

(a) Omit the first sentence.

(b) After 'purposes of', insert 'table'.

(c) After 'Corporations Act', insert new sentence and dot points:

For these purposes, it includes the following accounts:

- savings/transaction accounts (including accounts linked to debit cards);
- cheque accounts;
- call accounts;
- retirement savings accounts;
- term deposits;
- loan accounts; and
- credit card accounts.

(d) Omit 'regulation 70-5.02'; substitute 'section 70-5.02'.

(e) After 'provided by non-ADIs', insert ', as explained at paragraphs 202 to 206 of this Ruling.'

(f) Omit the sentence beginning with 'The definition of account in the GST regulations includes …' including all dot points.

195. Schedule 1: Asset Reconciliation

Omit 'etc'; substitute ', etcetera'.

196. Schedule 1: Australian ADI

Omit 'or'; substitute 'and'.

197. Schedule 1: Automatic Teller Machine (ATM)

(a) Omit 'Consumer Electronic Clearing System (CECS) Manual:'; substitute 'Australian Payments Network Limited Code Set for Issuers and Acquirers Community (IAC) Framework – Volume 6 ATM System Code:'.

(b) In the quote, omit 'ATM'; substitute '"ATM" or "ATM Terminal"'.

(c) In the quote, omit 'debit card'; substitute 'Card'.

(d) In the quote, omit ''Cash dispensers''; substitute '"Cash dispensers"'.

198. Schedule 1: B-PAY

Omit subheading '**B-PAY**'; substitute '**BPAY**'.

199. Schedule 1: Bank Cheque

After the entry, insert new entry including subheading:

Bank@Post

Service provided by Australia Post to customers of a number of participating banks and other financial institutions. Customers of these institutions are able to use credit and debit cards at post offices to make deposits and withdrawals and obtain account balances.

200. Schedule 1: Biller

Omit 'B-PAY'; substitute 'BPAY'.

201. Schedule 1: Biller Institution

Omit 'B-PAY'; substitute 'BPAY'.

202. Schedule 1: CHAMP

(a) Omit 'PC based'; substitute 'PC-based'.

(b) After 'custodians', omit the comma.

203. Schedule 1: Charge Card

Omit the wording of the entry; substitute:

> An article, commonly known as a charge card, for use in obtaining cash, goods or services by incurring a debt with the issuer of the card.

204. Schedule 1: Countertrade

Omit 'i.e.'; substitute 'that is'.

205. Schedule 1: Credit Arrangement

Omit '*Fitz-gibbon*'; substitute '*Fitzgibbon*'.

206. Schedule 1: Credit Union

(a) After 'for example', insert a comma.

(b) Omit 'community oriented'; substitute 'community-oriented'.

(c) Omit the final sentence; substitute:

> For the purposes of the GST regulations, credit union is defined in section 196-1.01 as:
>
> (a) an Australian ADI listed on the APRA website as a credit union; or
>
> (b) an Australian ADI listed on the APRA website as an Australian-owned bank that:
>
> (i) on or before 1 July 2011 was listed on the APRA website as a credit union; and
>
> (ii) retains mutuality; and
>
> (iii) was listed on the APRA website as a credit union at all times in the period between 1 July 2011 and the time it was listed on the APRA website as an Australian-owned bank; or
>
> (c) the Cairns Penny Savings & Loans Limited (ACN 087 933 757).

207. Schedule 1: Debenture

Omit 'Item'; substitute 'Table item'.

208. Schedule 1: Derivative

(a) Omit 'etc.'; substitute 'etcetera'.

(b) At the end of the entry, insert new sentence:

> For the purposes of the GST regulations, a derivative is defined in section 196-1.01 as an agreement or instrument the value of which depends on, or is derived from, the value of assets or liabilities, an index or a rate.

(c) After the entry, insert new entry, including new heading:

Digital Currency

Digital currency is defined in section 195-1 of the GST Act as digital units of value that:

(a) are designed to be fungible; and

(b) can be provided as consideration for a supply; and

(c) are generally available to members of the public without any substantial restrictions on their use as consideration; and

(d) are not denominated in any country's currency; and

(e) do not have a value that depends on, or is derived from, the value of anything else; and

(f) do not give an entitlement to receive, or to direct the supply of, a particular thing or things, unless the entitlement is incidental to:

(i) holding the digital units of value; or

(ii) using the digital units of value as consideration;

but does not include:

(g) money; or

(h) a thing that, if supplied, would be a financial supply for a reason other than being a supply of one or more digital units of value to which paragraphs (a) to (f) apply.

Examples of things that are not digital currency are:

- loyalty points provided by retailers that can only be redeemed for products and services specified by that loyalty scheme;
- 'currency' used in online multiplayer games, that cannot be used outside the game under which the 'currency' is made available;
- 'digital currency' with value based on something else or that gives an entitlement or privileges to something else. For example, a token that is aligned with an Australian or foreign currency, or gives you an entitlement to use software application services; and
- non-fungible tokens (NFTs).

209. Schedule 1: Direct Credit

After 'creditors', omit the comma.

210. Schedule 1: Direct Debit

After 'debtors', omit the comma.

211. Schedule 1: Dividend

At the end of the entry, insert new sentence 'For the purposes of the GST Act, a dividend has the meaning given by subsections 6(1), (4) and (5) of the ITAA 1936.'

212. Schedule 1: Documentary Credit

Omit ‘etc’; substitute ‘etcetera’.

213. Schedule 1: Electronic Funds Transfer at Point of Sale (EFTPOS)

(a) After ‘A computerised’, insert ‘payment’.

(b) After ‘a plastic card’, insert ‘(or a digital representation of the card used in a mobile or wearable device)’.

214. Schedule 1: Endorsement

(a) Omit ‘etc’; substitute ‘etcetera’.

(b) After ‘name on the bill or cheque’, insert a comma.

(c) After ‘named payee’, insert a comma.

215. Schedule 1: Establishment Fee

Omit ‘etc’; substitute ‘etcetera’.

216. Schedule 1: Factoring

(a) After ‘invoices payable’, omit ‘etc’; substitute ‘, etcetera’.

(b) Omit ‘his or her’; substitute ‘their’.

(c) Omit ‘no call on his’; substitute ‘no call on their’.

217. Schedule 1: Financial Supply

Omit the second and third sentences; substitute ‘Paragraphs 19 to 26 of this Ruling provide guidance on when something is a financial supply.’.

218. Schedule 1: Financial Supply Facilitator

(a) Omit ‘regulation 40-5.07’; substitute ‘section 40-5.07’.

(b) At the end of the paragraph, insert new sentence ‘Paragraphs 107 to 109A of this Ruling provide guidance on the meaning of financial supply facilitator.’.

219. Schedule 1: Financial Supply Provider

(a) Omit ‘regulation 40-5.06’; substitute ‘section 40-5.06’.

(b) After ‘an entity’, omit ‘who’.

(c) After the paragraph, insert new sentence ‘Paragraphs 104 to 106A of this Ruling provide guidance on the meaning of financial supply provider.’.

220. Schedule 1: Forfaiting

Omit 'non-recourse'; substitute 'nonrecourse'.

221. Schedule 1: Futures Exchange

Omit the entry, including heading.

222. Schedule 1: Giro Post

Omit the entry, including heading.

223. Schedule 1: Hire Purchase

(a) In the heading, after 'Purchase', insert 'Agreement'.

(b) After 'ITAA 1997', insert a comma.

(c) After 'hire purchase', insert 'agreement'.

224. Schedule 1: Letter of Credit (Documentary Credit)

Omit 'back-to-back'; substitute 'back to back'.

225. Schedule 1: Loans – (Including Borrowing and Lending)

(a) In the heading, omit the hyphen.

(b) In the heading, omit 'Including'; substitute 'including'.

(c) After the dot points, insert new sentence:

For the purposes of the GST Act, 'borrowing' has the meaning given by section 995-1 of the ITAA 1997 as any form of borrowing, whether secured or unsecured, and includes the raising of funds by the issue of a bond, debenture, discounted security or other document evidencing indebtedness.

226. Schedule 1: Loyalty Program

(a) After 'TR 1999/6', insert '*Income tax and fringe benefits tax: flight rewards received under frequent flyer and other similar consumer loyalty programs'*.

(b) At the end of the paragraph, insert new sentence 'Refer to GSTR 2012/1, which provides details of the types of features present in certain types of loyalty programs.'.

227. Schedule 1: Macroeconomics

Omit 'etc'; substitute 'etcetera'.

228. Schedule 1: Management Fee

Omit 'etc, services.'; substitute 'services, etcetera.'.

229. Schedule 1: Mortgage Broking

(a) In the heading, omit 'broking'; substitute 'Broker'.

(b) Omit the paragraph; substitute:

> The Macquarie Dictionary defines a broker to be a 'middleman or agent'. Brokers may also be referred to as intermediaries. Mortgage brokers may introduce borrowers to a range of different lenders or, alternatively, may introduce a range of different borrowers to a lender.

230. Schedule 1: Mortgage Investment Schemes

At the end of the entry, insert new paragraph:

> For the purposes of the GST regulations, 'mortgage scheme' means a managed investment scheme that has at least 50% of its non-cash assets invested in mortgage loans or in one or more other mortgage schemes.

231. Schedule 1: Numismatic

After 'military medals and', omit 'more recently,'.

232. Schedule 1: Option

Omit 'etc.'; substitute 'etcetera'.

233. Schedule 1: Payer

(a) Omit 'a payment system'; substitute 'the BPAY payment system'.

(b) Omit 'B-PAY'; substitute 'BPAY'.

234. Schedule 1: Payer Institution

Omit 'a payment system'; substitute 'the BPAY payment system'.

235. Schedule 1: Payment System

After 'circulation of money', insert 'or digital currency'.

236. Schedule 1: Reduced Credit Acquisitions

(a) Omit the first sentence;, substitute:

> Section 70-5.02 of the GST regulations provides that for the purposes of subsection 70-5(1) of the GST Act, an acquisition mentioned in the table that relates to making financial supplies can give rise to an entitlement to a reduced input tax credit.

(b) Omit 'Subregulation (2)'; substitute 'The table in subsection 70-5.02(1)'.

237. Schedule 1: Registry

Omit 'etc'; substitute 'etcetera'.

238. Schedule 1: Securities

(a) Omit the first sentence and list items (a) to (d); substitute 'Section 196-1.01 provides that 'securities' has the meaning given by subsection 92(1) of the Corporations Act.'.

(b) After the second instance of 'section 92(1) of the Corporations Act', insert a comma.

(c) In list item (b) of the quote, omit 'debentures in'; substitute 'debentures of'.

(d) Omit '"Excluded security"'; substitute 'As per section 9 of the Corporations Act, 'excluded security''.

(e) After 'attached to a share', insert 'or debenture'.

(f) At the end of the entry, insert new sentence and list points:

However, for the purposes of table item 10 of subsection 40-5.09(3) of the GST regulations, securities has a broader meaning. It has the meaning given by subsection 92(1) of the Corporations Act and also includes:

- (a) a debenture described in paragraph (a), (b), (c), (d), (e) or (f) of the definition of debenture[113A] in section 9 of the Corporations Act;
- (b) a document issued by an individual that would be a debenture if it were issued by a body corporate;
- (c) a scheme described in paragraph (e), (i) or (m) of the definition of managed investment scheme[113B] in section 9 of the Corporations Act; and
- (d) the capital of a partnership or trust.

(g) Omit footnotes 112 and 113.

(h) In dot point (a), after 'definition of debenture', insert new footnote 113A:

[113A] See definition of 'debenture' in this Glossary of Terms.

(i) In dot point (c), after ''managed investment scheme', insert new footnote 113B:

[113B] See definition of 'managed investment scheme' in this Glossary of Terms.

239. Schedule 1: Settlement

Omit 'i.e.'; substitute 'that is'.

240. Schedule 1: Smart Card

Omit the wording of the entry; substitute 'An article commonly known as a smart card that has the capacity to keep a record of financial transactions using the article.'.

241. Schedule 1: Stored Value Card

(a) Omit 'etc'; substitute 'etcetera'.

(b) After 'PIN', omit 'number'.

242. Schedule 1: Superannuation Fund

After 'of the SIS Act, omit 'to mean'.

243. Schedule 1: Time Sharing Scheme

Omit the wording of the entry, including heading; substitute:

> **Time-sharing scheme**
>
> A time-sharing scheme is defined under section 9 of the Corporations Act to mean
>
> …a scheme, undertaking or enterprise, whether in Australia or elsewhere:
>
> (a) participants in which are, or may become, entitled to use, occupy or possess, for 2 or more periods during the period for which the scheme, undertaking or enterprise is to operate, property to which the scheme, undertaking or enterprise relates; and
>
> (b) that is to operate for a period of not less than 3 years.

244. Schedule 1: Trailing Commission

After the entry, insert new entry, including heading:

> **Transaction Card**
>
> A debit card, charge card, credit card or smart card. Refer to section 196-1.01 of the GST regulations and paragraphs 191 to 204 of GSTR 2004/1 for further explanation.

245. Schedule 1: Trust

Omit both instances of 'i.e.'; substitute 'that is'.

246. Schedule 1:Trust Deed

Omit 'etc'; substitute 'etcetera'.

247. Schedule 1: Unit Registry

Omit 'etc'; substitute ', etcetera'.

248. Schedule 1: Unit Trust

Omit the second sentence; substitute:

> It is used as a form of pooled investment, where a number of investors buy units in a trust. Some unit trusts are promoted and managed by professional investment managers.

249. Schedule 1: Bibliography – Legislation

After '*A New Tax System (Goods and Services Tax) Regulations'*, omit '*1999'*; substitute '*2019'*.

250. Schedule 2: Table of Contents

Omit the wording of the Table of Contents; substitute:

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251. Schedule 2: References

Omit the last line; substitute '**"70-5.02(2) Item 6(c)"** – means Item 6(c) of subsection 70-5.02(1)'.

252. Schedule 2: Please note:

(a) Omit the heading; substitute 'Notes'.

(b) In list item 2, omit 'etc'; substitute 'etcetera'.

(c) In list item 4, omit 'e.g.'; substitute 'for example'.

(d) In list item 5, omit 'item 1 of regulation 40-5.309(3)'; substitute 'table item 1 of subsection 40-5.09(3)'.

(e) In list item 6, omit 'the glossary'; substitute 'Schedule 1, which does not form part of the binding section of this Ruling'.

253. Schedule 2: Table A.

(a) In the caption, before 'A', insert 'Table'.

(b) In the heading row, in the third column, omit 'Regulation'; substitute 'regulation'.

(c) In line A1:

(i) Omit 'less than $1,000'; substitute '$1,000 or less:'.

(ii) In the fifth column, after 'non-account holder', insert a comma.

(iii) In the fifth column, at the end of the paragraph, insert new paragraph:

The extent to which the supply of a transaction account is GST-free under table item 3 or table item 4(a) of subsection 28-190(1) is explained in GSTD 2020/1.

(d) In line A3, Omit 'less than $1,000 subreg'; substitute '$1,000 or less, subsection'.

(e) In line A23:

(i) Omit 'reg'; substitute 'section'.

(ii) Omit 'line item'; substitute 'Line Nos.'.

(f) In lines A31 and A32:

(i) Omit 'subreg 40-5.09(3) Item 10; Sch 7, Part'; substitute 'subsection 40-5.09(3) Item 10; Schedule 2, clause'.

(ii) Omit 'Corporations Act 2001'; substitute 'Corporations Act'.

(g) In line A35, omit 'e.g.'; substitute 'for example'.

(h) In line A36, in the third column, before 'items 1 and 2', insert '40-5-09(3).

(i) In line A39:

(i) Omit 'Australia'; substitute 'Australian'.

(ii) Omit '(e.g., telegraphic transfer[Φ])'.

(j) Omit line A40; substitute:

A40	• International money[§] transfer or telegraphic transfer[§]	40-5.09(3) Item 1	Input taxed	Where the transfer is undertaken as a transaction under the supply of a transaction account, GSTD 2020/1 will be relevant. A separate supply of an international money transfer or telegraphic transfer is GST-free under table item 4 of subsection 38-190(1) when the overseas payee has a right to payment that must be exercised at an overseas bank – whether it is via a deposit into the overseas payee's overseas account or right to request payment at a bank located overseas.

(k) In lines A44 to A47:

(i) Omit 'customers'; substitute 'customer's'.

(ii) Omit 'reg'; substitute 'section'.

(l) In line A47. omit ’40–5.09(4)’; substitute ’40-5.09(4)’.

(m) In line A49:

(i) Omit ‘etc.’; substitute ‘, etcetera’.

(ii) Omit ‘may’; substitute ‘it may’.

(iii) Omit ‘less than $1,000’; substitute ‘$1,000 or less’.

(n) In line A59, omit ‘less than $1,000 subreg’; substitute ‘$1,000 or less, subsection’.

(o) In line A60, omit ‘e.g.’; substitute ‘for example’.

(p) In line A61, omit ‘7, Part’; substitute ‘2, clause’.

(q) In line A73, omit ‘less than $1,000’; substitute ‘$1,000 or less’.

(r) In line A78, omit ‘Applies to network access by account holder overseas because account is in Australia’; substitute:

A separate supply of an international money transfer is GST-free under table item 4 of subsection 38-190(1) when the payee’s account is located outside Australia or collection or delivery of physical currency is to an overseas location. Where the transfer is undertaken as a transaction under the supply of a transaction account, GSTD 2020/1 will be relevant.

(s) After line A78, insert new line number A78A:

A78A	The following fees and charges relating to the use of an automatic teller machine (ATM)[§]:	

(t) In line A79:

(i) Omit ‘Use of ATM (automated teller machine)’; substitute ‘Fees charged by Australian ADIs[§] to account holders for the use of an ATM’.

(ii) Omit ‘Applies to network access by account holder overseas because account is in Australia’; substitute ‘Where the ATM transaction is undertaken as a transaction under an account, GSTD 2020/1 will be relevant to determining the extent to which the supply of the account may be GST-free’.

(u) After line A79, insert new lines A79A and A79B:

A79A	• Fees of $1,000 or less for the supply of ATM services mentioned in subsection 40-5.09(5) charged by an Australian ADI to a recipient who is not an account holder	40-5.09(5)	Input taxed	

A79B	• Fees of $1,000 or less for the supply of ATM services mentioned in subsection 40-5.09(5) charged by an entity that is not an Australian ADI	40-5.09(5)	Input taxed	

(v) In line A86, omit 'Giropost'; substitute 'Bank@Post'.

(w) In lines A97 to A99, omit 'B-pay'; substitute 'BPAY'.

(x) In line A100:

(i) Omit 'Example in Schedule 3, Part 2, Item 3'.

(ii) After 'a payment system[§].', insert new sentence 'Example in Schedule 3, clause 2, Item 3.'

(y) In line A117:

(i) After 'ADIs', insert a comma.

(ii) Omit both instances of 'line items'; substitute 'Line Nos.'.

(iii) Omit 'non ADI'; substitute 'non-ADI'.

(iv) After 'currency', insert a comma.

(z) In line A118, omit 'line F16'; substitute 'Line No. F16'.

254. Schedule 2: Table B.

(a) In the caption, before 'B', insert 'Table'.

(b) In the third column, omit 'Regulation'; substitute 'regulation'.

(c) In line B27, omit 'i.e.'; substitute '; that is'.

(d) In line B31, in the fifth column, insert 'The extent to which the supply of a credit card facility is GST-free under table item 4 of subsection 38-190(1) is explained in GSTD 2017/1.'.

(e) In line B41, omit the sentence in the fifth column.

(f) In line B44, omit the sentence in the fifth column.

(g) In line B46, in the fifth column, insert new sentence 'GSTR 2012/1 provides guidance on the GST implications of certain loyalty programs.'.

(h) In line B47, in the fifth column, after 'particular facts.', insert new sentence 'GSTR 2012/1 provides guidance on the GST implications of certain loyalty programs.'.

(i) In line B67:

(i) Omit 'e.g.'; substitute '; for example'.

(ii) Omit 'etc.'; substitute ', etcetera'.

(j) In line B71, omit 'i.e.'; substitute '; that is'.

(k) In line B75, omit ‘e.g.’; substitute ‘for example’.

(l) In line B76:

(i) Omit ‘e.g.’; substitute ‘for example’.

(ii) Omit ’40-5.09(3) item 3 or 40-5.10’; substitute ‘subsection 40-5.09(3) item 3 or section 40-5.10’.

(m) In line B77, omit ‘e.g.’; substitute ‘; for example’.

(n) In line B78:

(i) Omit ‘subsections 105-5(3)’; substitute ‘subsection 105-5(3)’.

(ii) Omit ‘e.g.’; substitute ‘; for example’.

255. Schedule 2: Table C.

(a) In the caption, before ‘C’, insert ‘Table’.

(b) In the third column, omit ‘Regulation’; substitute ‘regulation’.

(c) In lines C10 to C15:

(i) Omit ‘etc’; substitute ‘, etcetera’.

(ii) Omit ‘i.e.,’; substitute ‘; that is’.

(iii) Omit ‘satisfies 38-190’; substitute ‘satisfies section 38-190,’.

(d) Before line C20, in the heading, omit ‘ASSET BASED’; substitute ‘ASSET-BASED’.

(e) In footnote 115. Omit ‘line item’; substitute ‘Line No.’

(f) In line C25, omit ‘e.g.’; substitute ‘; for example’.

(g) In lines C25A and C26A, omit ‘Sch 8, Part’; substitute ‘Schedule 3, clause’.

(h) In line C26, omit ‘credit component it is input taxed’; substitute ‘credit component, it is input taxed’.

(i) In line C29:

(i) Omit ‘i.e.’; substitute ‘that is’.

(ii) Omit ‘paragraph 195’; substitute ‘paragraphs 195’.

(iii) Omit 'a HP agreement'; substitute 'an HP agreement'.

(j) In line C31, omit ‘i.e.’; substitute ‘that is’.

256. Schedule 2: Table D.

(a) In the caption, before ‘D’, insert ‘Table’.

(b) In the third column, omit ‘Regulation’; substitute ‘regulation’.

(c) After line D4, insert new line no. D4A:

D4A	Shares in a corporate collective investment vehicle (CCIV)	40-5.09(3) Item 10	Input taxed	A share in a CCIV is a security under the Corporations Act. However, for tax purposes, a share referable to a CCIV sub-fund is taken to be a unit in a unit trust (the CCIV sub-fund trust). See Subdivision 195-C of the ITAA 1997.

(d) In line D7:

(i) Omit 'Paragraph'; substitute 'Subparagraphs'.

(ii) Omit '2001'.

(iii) Omit 'Sch 7, Part 8'; substitute 'Schedule 2, clause 9'.

(e) In line D8:

(i) Omit 'e.g.'; substitute 'for example'.

(ii) Omit 'Sch 7, Part 8'; substitute 'Schedule 2, clause 9'.

(f) In line D9:

(i) Omit 'Para'; substitute 'Subparagraph'.

(ii) Omit 'Sch 7, Part 8, item 9. & 10.'; substitute 'Schedule 2, clause 9, item 9.'.

(iii) Omit 'Sch 7, Part 8'; substitute 'Schedule 2, clause 9'.

(iv) Omit 'the Corporations Act 2001'; substitute 'of the Corporations Act'.

(g) In lines D10 and D11, omit 'Sch 7, Part 8'; substitute 'Schedule 2, clause 9'.

(h) In line D13, omit 'e.g.'; substitute '; for example'.

(i) In line D14:

(i) After 'Interests in', insert 'or under the capital of'.

(ii) In the fifth column, insert new paragraph:

See GSTR 2003/13 for general law partnerships. A supply of a financial interest under table item 10(d) of subsection 40-5.09(3) does not arise in situations involving tax law partnerships – see GSTR 2004/6.

(j) In line D16, after 'Interests in', insert 'or under the capital of'.

(k) In lines D18, D26, 27, D28 and D29, omit 'Corporations Act 2001'; substitute 'Corporations Act'.

(l) In line D36, omit 'e.g'; substitute 'for example'.

(m) Omit the wording of line D37; substitute:

D37	An investor's contribution to a managed investment scheme (including entry fees[§] debited from the investor's contribution to the	40-5.09(3) Item 10	Input taxed	When a member makes a contribution to a managed investment scheme, the total contribution made is consideration for the interest in the scheme. When part of that contribution is then debited by the scheme from the member's account or investment as an entry fee, there is

	scheme) for the investor's acquisition of an interest in a managed investment scheme§			no further supply made to the investor by the scheme. When entry fees are payable in other circumstances, such as the investor making a payment to an entity other than the managed investment scheme entity, the GST treatment of these arrangements needs to be considered on a case-by-case basis. For example, as established in *Hance v Commissioner of Taxation* [2008] FCAFC 196, some agricultural managed investment schemes may be structured so that investors carry on individual enterprises, and some fees payable may be consideration for taxable supplies.

(n) After line D37, insert new line D37A:

D37A	Exit fees§ debited by the scheme from a member's investment in the scheme when the investor makes a disposal of their interest in a managed investment scheme§	Not consideration for the provision, acquisition or disposal of an interest	Not subject to GST	When exit fees are included in the calculation of the consideration paid by the managed investment scheme for the member's disposal of the interest in the scheme, they are not separately treated as consideration for the member's disposal of an interest in a managed investment scheme or for any other supply to the member. However, when exit fees are payable in other circumstances, such as the investor making a payment to an entity other than the managed investment scheme entity, the GST treatment of these arrangements needs to be considered on a case-by-case basis.

(o) In line D38:

(i) Omit 'On going; substitute 'Ongoing'.

(ii) After 'fees that are debited', insert 'by the scheme'.

(p) In line D41, omit 'e.g.'; substitute 'for example'.

257. Schedule 2: Table E.

(a) In the caption, before 'E', insert 'Table'.

(b) In the third column, omit 'Regulation'; substitute 'regulation'.

(c) In line E1, after 'was covered by', insert 'subsection'.

(d) In line E6:

(i) Omit 'item'; substitute 'Item'.

(ii) Omit 'subreg'; substitute 'subsection'.

258. Schedule 2: Table F.

(a) In the caption, before 'F', insert 'Table'.

(b) In the third column, omit 'Regulation'; substitute 'regulation'.

(c) In line F1:

(i) After 'foreign country,' insert 'digital currency,'.

(ii) Omit 'the currency'; substitute 'any of these three things'.

(d) In line F3, in the fifth column, insert new paragraphs:

A separate supply of a foreign currency draft is GST-free under table item 4 of subsection 38- 190(1) when the draft must be presented to a bank outside Australia.

Where the foreign currency draft is a transaction under the supply of a transaction account, GSTD 2020/1 will be relevant.

(e) In line F4, omit 'Australia, e.g.'; substitute 'Australia (for example,'.

(f) In line F5, in the fifth column, insert new paragraph:

GST-free under table item 4 of subsection 38- 190(1) when payee intends to use travellers cheques while located outside Australia.

(g) In line F7, in the fifth column, insert new paragraphs:

A separate supply of an international cheque is GST-free under table item 4 of subsection 38- 190(1) when the cheque must be presented at a bank outside Australia.

Where the international cheque is a transaction under the supply of a transaction account, GSTD 2020/1 will be relevant.

(h) In line F8. in the fifth column, insert new paragraph:

GST-free under table item 4 of subsection 38-190(1) when currency is delivered to an overseas account.

(i) In line F9, in the fifth column, insert new paragraph:

The supply of a call option will be GST-free if the delivery of currency on exercise of option would itself be a GST-free supply (that is, a forex spot delivered to an overseas account) (paragraph 9-30(1)(b)).

(j) After line F11, insert new line F11A:

F11A	• Purchase and sale of digital currency	40-5.09(3) Item 9	Input taxed	

(k) In line F13:

(i) After 'Fees', insert 'levied by agent'.

(ii) In the fifth column, insert new paragraph

Where the supply of the travellers cheque (Line No. F5) is GST-free under table item 4 of subsection 38-190(1), the supply of the service by the agent will also be GST-free under table item 4.

(l) In line F15, omit 'i.e.'; substitute ', that is'.

(m) Omit line F16; substitute:

F16	Supply of prepaid travel cards or similar cards issued by an Australian ADI loaded with Australian or foreign currency	Subsection 38-190(1) Item 4	GST-free	Only GST-free to the extent the card is intended to be used when the cardholder is outside Australia and the cardholder's physical presence outside Australia is integral to the transaction. To the extent the supply is not GST-free, it will be input taxed under Item 1 or Item 9 of subsection 40-5.09(3).

259. Schedule 2: Table G.

(a) In the caption, before 'G', insert 'Table'.

(b) In the third column, omit 'Regulation'; substitute 'regulation'.

(c) Omit line G2.

260. Schedule 2: Table H.

(a) In the caption, before 'H', insert 'Table'.

(b) In the third column, omit 'Regulation'; substitute 'regulation'.

(c) In lines H2 to H13, omit 'Sch 7, Part 9'; substitute 'Schedule 2, clause 10'.

(d) In line H8, after 'item 2', insert 'Refer to Line Nos. N1 to N5 in relation to commodity transactions, deliverable wool futures and forward contracts (or options over such futures or contracts).'.

(e) In line H13, after 'item 7', insert 'Refer to Line Nos. N1 to N5 in relation to commodity transactions, deliverable wool futures and forward contracts (or options over such futures or contracts).'.

261. Schedule 2: Table I.

(a) In the caption, before 'I', insert 'Table'.

(b) In the third column, omit 'Regulation'; substitute 'regulation'.

(c) In lines I2 to I7, omit 'Sch 7, Part'; substitute 'Schedule 2, clause'.

262. Schedule 2: Table J.

(a) In the caption, before 'J', insert 'Table'.

(b) In the third column, omit 'Regulation'; substitute 'regulation'.

263. Schedule 2: Table K.

(a) In the caption, before 'K', insert 'Table'.

(b) In the third column, omit 'Regulation'; substitute 'regulation'.

(c) In lines K4 and K10, omit 'e.g.'; substitute 'for example'.

264. Schedule 2: Table L.

(a) In the caption, before 'L', insert 'Table'.

(b) In the third column, omit 'Regulation'; substitute 'regulation'.

(c) In line L15, omit 'regulation'; substitute 'section'.

(d) In line L51:

(i) Omit 'i.e.'; substitute '; that is'.

(ii) Omit 'e.g.'; substitute 'for example'.

(e) In line L59:

(i) Omit 'e.g.'; substitute 'for example'.

(ii) Omit 'line item'; substitute 'Line No.'.

(f) In lines L99 and L100, omit 'Sch 8, Part'; substitute 'Schedule 3, clause'.

(g) In line L108:

(i) Omit 'item 3'; substitute 'table item 3'.

(ii) Omit 'regulation'; substitute 'subsection'.

(h) In lines L117 to L119, before 40-5.09, insert 'section.

(i) In lines L129, L135 and L136, omit 'line item'; substitute 'Line No.'.

(j) In line L137, omit 'line item'; substitute 'Line Nos.'.

265. Schedule 2: Table M.

(a) In the caption, before 'M', insert 'Table'.

(b) In the third column, omit 'Regulation'; substitute 'regulation'.

266. Schedule 2: Table N.

(a) In the caption, before 'N', insert 'Table'.

(b) In the third column, omit 'Regulation'; substitute 'regulation'.

(c) Above line N1, in the heading, in the fifth column, insert new paragraph:

Refer to Line Nos. H8 and H13 in relation to:

- commodity derivatives involving no option, right or obligation to delivery;
- cash-settled derivatives.

(d) In lines N2 to N5, omit '8, Part'; substitute '3, clause'.

This Addendum applies both before and after its date of issue, subject to the commencement and application provisions of each amending Act or Regulation to which it refers.

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