


# ***ST 2095 - SALES TAX : PRE-RECORDED VIDEO TAPES***

 This cover sheet is provided for information only. It does not form part of *ST 2095 - SALES TAX : PRE-RECORDED VIDEO TAPES*

This document has been Withdrawn.  
There is a [Withdrawal notice](#) for this document.



- (a) exhibition copies of films for the private, domestic or personal use of the person by or for whom they are produced (broadly stated, these are personal films or videos);
- (b) exhibition copies of films to be screened or televised exclusively, or primarily and principally, for advertising purposes (i.e. advertising films and videos); or
- (c) pre-recorded video tapes or pre-recorded video discs, being tapes or discs for use for the private, domestic or personal purposes of any person (broadly stated, these are videos sold or hired for viewing at home, for example, on a domestic video cassette recorder).

RULING

4. The broad effect of sub-item 46(2B), Second Schedule, and item 6, Third Schedule, when read together is that exhibition copies of pre-recorded video tapes - which would cover most pre-recorded video tapes used (other than for advertising) for commercial or industrial purposes - are taxable at 7.5%, pre-recorded advertising video tapes are taxable at 20%, pre-recorded video tapes produced for an individual's private, domestic or personal use are taxable at 20% and all other pre-recorded video tapes are taxable at 32.5%.

5. Examples of pre-recorded video tapes for the "private, domestic or personal use of the person by or for whom they are produced" and taxable at 20% are:-

- (a) video tape of a wedding or other special social occasion produced for the private, domestic or personal use of the persons involved;
- (b) video tape of a horse race commissioned by and produced for the horse owner's private, domestic or personal use.

Examples of pre-recorded video tapes "for use for the private, domestic or personal purposes of any person" and taxable at 32.5% are:-

- (a) video tapes of horse races commissioned by racing clubs or video production companies which are purchased by horse owners for use for their private, domestic or personal purposes;
- (b) video tapes of feature events such as the Melbourne Cup, football grand finals or notable sporting events commissioned by sporting bodies or video production companies which are purchased by persons for use for their private, domestic or personal purposes.

Pre-recorded video tapes for use for the "private, domestic or personal purposes of any person" (taxable at 32.5%) also includes home entertainment video tapes, especially video cassettes generally available for purchase or hire from retail outlets.

6. The following guidelines are provided for classifying pre-recorded video tapes:-

(a) Pre-recorded video tapes produced for sale or hire on the open market

	Provisions of the Law	Rate of Tax
(i) For use as exhibition copies, e.g. staff training video tapes, educational video tapes for use by non-exempt educational institutions - other than exhibition copies for the private, domestic or personal use of the person for whom produced, for home entertainment or for advertising purposes.	Para. 46(2B)(c), 2nd Sch. and sub-item 6(1), 3rd Sch.	7.5%
(ii) For use for the private, domestic or personal purposes of any person, e.g. home viewing.	Sub-item 46(2B), 2nd Sch. and para. 6(1)(c), 3rd Sch.	32.5%
(iii) For use exclusively or primarily for advertising purposes.	Para. 46(2B)(d), 2nd Sch. and para. 6(1)(b), 3rd Sch.	20%

(b) Pre-recorded video tapes produced to specific order

	Provisions of the Law	Rate of Tax
(i) For use as exhibition copies, e.g. staff training video tapes, educational video tapes for use by non-exempt educational institutions-other than exhibition copies for the private, domestic or personal use of the person for whom produced, for home entertainment or for advertising purposes.	Para. 46(2B)(c), 2nd Sch. and sub-item 6(1), 3rd Sch.	7.5%
(ii) For the private, domestic or personal use of the person by or for whom they are produced.	Para. 46(2B)(d), 2nd Sch. and para. 6(1)(a), 3rd Sch.	20%
(iii) for use exclusively or primarily for	Para. 46(2B)(d), 2nd Sch. and para.	20%

advertising purposes. 6(1)(b), 3rd Sch.

- (c) Pre-recorded video tapes produced by television stations for their own use or use by other television stations

	Provisions of the Law	Rate of Tax
(i) Video tapes of news, programmes, live shows and sporting events	Para. 46(2B)(c), 2nd Sch. and sub- item 6(1) 3rd Sch.	7.5%
(ii) Video tapes of advertisements.	Para. 46(2B)(d), 2nd Sch. and para. 6(1)(b), 3rd Sch.	20%

7. The above guidelines apply to pre-recorded video tapes produced in Australia and to imported pre-recorded video tapes.

COMMISSIONER OF TAXATION  
5 November 1984

<