


# ***ST 2142 - SALES TAX : SELF-SERVICE FUEL DISPENSING SYSTEMS***

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TAXATION RULING NO. ST 2142

SALES TAX : SELF-SERVICE FUEL DISPENSING SYSTEMS

F.O.I. EMBARGO: May be released

REF

\*\*\* NOTE: THIS RULING HAS NBEEN MODIFIED BY ST 2299

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FUEL DISPENSING SYSTEMS

SALES TAX (EXEMPTIONS  
& CLASSIFICATIONS) ACT  
: ITEM 7 : THIRD  
SCHEDULE

PREAMBLE

Sub-item 7(1) in the Third Schedule covers, inter alia, machinery, implements, apparatus and materials for use exclusively or primarily and principally, for business or industrial purposes, in servicing, repairing or reconditioning motor vehicles, but not including goods which become part of the goods serviced, repaired or reconditioned. The dispensing of fuel from a fuel pump is a servicing operation for the purposes of sub-item 7(1).

2. A review has been completed of the sales tax classifications of components of modern self-service fuel dispensing systems. The latest systems supersede components of systems ruled at page 624A in the Sales Tax Exemptions and Classifications to be covered by sub-item 7(1) in the Third Schedule taxable at 7.5%.

3. The latest systems generally consist of control consoles and dispenser units. They are computerised and provide additional facilities for the efficient carrying out of many management and accounting functions.

FACTS

4. The self-service dispensing systems reviewed are described below:-

(a) Kelvinator Mark II Post Pay/Pre Pay console

This unit allows a number of fuel dispensers to be controlled from a remote location by a single operator. The console displays both the amount of fuel dispensed and the price of any sale at the time of the sale. In addition the console provides such management and accounting facilities as sales analyses for each pump, in both volume and monetary units for the current shift and the four previous shifts, and also an inventory balance.

(b) Gilbarco Transac 10, 11 and 12 consoles

The Transac 10 console provides the same control over the dispensing of fuel as the unit above. It records inventory levels and provides sales information for each shift and cumulative daily sales totals. Transac 11 and 12 consoles, in addition to the facilities of the Transac 10, allow cash and credit alternative modes of payment, enable individual pump totals to be displayed on call, and allow the allocation of maximum sale limits in monetary units.

Although the models described in (a) and (b) above have additional accounting functions to the earlier models, their essential function is the control of the dispensing of petrol and other fuel. Their accounting and management functions though significant do not predominate over their essential fuel control function.

(c) Gilbarco Transac 14 console

This unit performs all of the functions of the Transac units mentioned above, in addition to which it incorporates an electronic cash register. It is described as a control console, a cash register and a management centre all in one unit. The Transac YCR 14 console is of a different character to other consoles as it performs a variety of primary functions. It is not accepted that it is primarily and principally for use in the servicing of motor vehicles; it is more akin to a cash register.

(d) Banknote Acceptor Cabinet

This unit is intended to control a number of fuel pumps in the provision of after hours service. It allows a particular amount of fuel to be dispensed in accordance with the amount of cash inserted by the customer, validated and accepted by the machine. The Banknote Acceptor is similar in character to the self-service token system which has been ruled to be taxable at the general rate.

(e) Fuel Card Module

The Fuel Card Module is another self-service device which allows fuel to be dispensed and a charge made to a card holder's account after that person's card has been inserted and the proper personal identification number has been entered on the keyboard. It is considered that, like the Banknote Acceptor, the Fuel Card Module is indistinguishable from the self-service token system.

(f) Wilson Key-lock Fuel Dispenser Control System

This is another self-service dispenser control system which allows fuel to be dispensed by a key holder. The unit is itself attached to the

dispensing pump and allows a number of different keys access to fuel, each of which activates an individual totalizer to record the quantity of fuel dispensed. The Wilson Key-lock is considered to be for use principally for recording fuel usage by key holders.

RULING 5. The following units of self-service dispensing systems are for use primarily and principally in servicing motor vehicles. They are covered by sub-item 7(1) in the Third Schedule, taxable at 7.5%.

(a) Kelvinator Mark II Post Pay/Pre Pay console.

(b) Gilbarco Transac 10, 11 and 12 consoles.

6. The following units of the systems are for use primarily and principally in activities other than servicing motor vehicles, such as management and accounting functions. They are not covered by sub-item 7(1) in the Third Schedule, but are taxable at the general rate, 20%.

(c) Gilbarco Transac 14 Console.

(d) Banknote Acceptor Cabinet.

(e) Fuel Card Module.

(f) Wilson Key-lock Fuel Dispenser Control System.

COMMISSIONER OF TAXATION  
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