

GST Tax Coding Guidelines for the RGSO

In late 2006 the ATO Public Tax Ruling, GSTR 2006/11 'Goods and Services Tax: appropriations' was issued. This ruling concerns payments made between government-related entities that are specifically covered by an appropriation under an Australian law.

It therefore cannot be assumed that all government payments are an 'appropriation'. It is recommended that GSTR 2006/11 'Goods and Services Tax: appropriations' is consulted in conjunction with funding agreements between government-related entities.

Research

LTU invoices

An example is of LTU raising an invoice relating to a research assistant's activities. It should include GST as this activity constitutes a supply. The invoice should be coded to G1.

Another example concerns an invoice raised on a CRC administrative body (eg Deakin University) for a share of funds as part of that agreement. The tax coding is determined by the conditions of the CRC agreement. Here it is necessary to consult the GSTR 2006/11 'Goods and Services Tax: appropriations' to determine what tax code applies. You may contact the Manager (Taxation and Banking) on extension 2068 for more advice.

Payments

For LTU payments of invoices raised, for example, by a CRC administrative body or Grantor (eg Deakin University) the tax coding applied by the supplier is determined by the conditions of the agreement. GST may or may not be on the invoice. If there is GST, use the code **A1**. If there is no GST, use the code **AZ**.

It may be necessary to consult the GSTR 2006/11 'Goods and Services Tax: appropriations'. You may contact the Manager (Taxation and Banking) on extension 2068 for more advice.

Scholarships & Stipends 502240 Awards & Prizes 525410

Receipts

When LTU raise an invoice to an organisation, other than a government-related entity for funds to cover any scholarship, stipend, award and prize the LTU tax invoice is normally processed as tax code **G1**. If the monies received for the scholarship, award, prize or stipend are from donated funds, then the tax code is **GZ**

Payments

When the funds (for scholarships, stipends, awards or prizes) are dispersed to the student and should be coded to tax code **A3**.

Note that awards and prizes are only paid via AP, and scholarship, stipends are paid via the HR payroll.

Honorium/Fellowships

Honorium and Fellowships are paid via payroll and must be coded to **AZ**.

If an honorarium is for more than \$200 per annum, then PAYG may have to be deducted. You may contact the Manager (Taxation and Banking) on extension 2068 for more advice.

Sponsorship Funds -receipt

LTU to receipt these funds to **G1**.

Donation Funds - receipt

LTU to receipt these funds to **GZ**.