

**GST – FREQUENTLY ASKED QUESTIONS** (as at 21 August 2007)

**Tax Codes for Purchases**

Issue	Overseas flights booked via a Local Tvl Agent	Grants paid to students	Payment to Thesis Examiners • Non Residents • Australian Residents	Scholarships, Stipends, Awards and Prizes paid to students	Honorarium & Fellowships	Appropriations - Government Related Entities	Sponsorships paid by LTU	Overseas Payment by LTU	Overseas Commission paid by LTU	Bookshop La Trobe
<b>SAP Tax Code</b>	A0	A3	Non Residents - AZ Residents - A3	A3	AZ	AZ or A1	A1	AZ or A1	AZ	A1
<b>Why?</b>	GST -Free. (However, travel agent fee is <b>A1</b> , and all airport taxes are <b>A3</b> )	Student not registered. Statement by Supplier form not required.	Non residents - Outside the scope. However, must sign 'Statement by Supplier Form' (Tick exempt box)  Residents – likely not to be registered for GST (A3). Could have an ABN, otherwise 46.5% withholding tax is deducted.	Student not registered. Statement by Supplier form not required.  Awards and Prizes paid via AP.  Scholarships and Stipends paid via HR.	Paid via HR. If an honorarium is >\$200 PAYG must be deducted contact M (T & B) X2068	CRC admin body or Grantor the tax code is determined by the conditions of the agreement. You may need to consult GSTR2006/11. Contact M(T&B) X2068.	If the sponsored organisation is GST registered, GST inclusive invoice will be rendered to LTU.	AZ- Outside the scope if supplier has no local agent.  A1- If o/s company has GST registered agent in Australia then LTU will be rendered a tax invoice.	Outside the scope if the service is performed overseas. .	PCMS will only calculate a taxable transaction. Ensure a tax invoice is received from the bookshop.

**Continue Tax Codes for Purchases**

Issue	Courier Freight Charges to Overseas Destination	Telstra Invoices	Cabcharge Statements	Deposits payable for conference etc.	International Transport of Goods – Freight Costs
<b>SAP Tax Code</b>	A1	A1 or A3 and 130075/A1	A1 and A3	AZ or a/c 130075VA1	A0
<b>Why?</b>	A1 - eg stamps for small package by seairmail	A1- If the GST is 1/11 of the GST inclusive amount. If the GST is not 1/11 <sup>th</sup> of the GST inclusive amount, ring Finance (Accounts Payable) for coding.	A1 - Taxi Fares GST Inclusive A3 - Service Fee A3 - Liquidated Damages	AZ- Is this payment a security deposit? (no GST)  A1-Is this deposit a non-refundable deposit? If so, it triggers a GST liability for entire amount. Contact M(T&B) X2068	A0 – International transport of goods eg air freight is GST Free.

**Tax Codes for Sales/Other Receipts**

Issue	Grants Paid to LTU	Donations to LTU.	Sponsorships to LTU.	Overseas Exports	Scholarships, Stipends, Awards and Prizes – <u>Non Government Related Entity</u>	<u>Appropriations-Government Related Entity</u>
SAP Tax Code	G1 or GZ	GZ	G1	G3	G1 or GZ	G1 or GZ
Why?	<p>G1- GST liability will arise when an agreement entered with external body includes obligations to undertake research in return for payment.</p> <p>GZ- Exception is appropriation grant. Consult GSTR 2006/11. Contact M(T&amp;B) X2068</p>	<p>Outside the scope if <u>no material benefit</u> flows to the donor and or no specific purpose or obligation exists. Eg funds received for donated scholarships, stipends, awards and prizes</p>	<p>G1- Read the agreement. A sponsor is an organisation that receives a material benefit for their sponsorship.</p>	<p>An export transaction by LTU. eg. Supply of education materials to an overseas customer who is a non resident.</p>	<p>G1 - GST liability will arise when funds received from an organisation other than government related entity and not donated. GZ – donated funds</p>	<p>Cannot assume all government payments are appropriations. GSTR 2006/11 must be consulted in conjunction with government related entity's funding agreement. Contact M(T&amp;B) for advice X2068 EG Research Assistant's activities – G1 CRC – Consult GSTR 2006/11.</p>