

FIRST SET OF LEGISLATION TO SIMPLIFY GST RULES RELEASED FOR PUBLIC CONSULTATION

The Assistant Treasurer, Senator Nick Sherry, has today released for public comment the first set of legislation aimed at making it simpler for business owners to carry out their goods and services tax (GST) obligations.

"This draft Bill will make the GST law more transparent and reduce compliance costs for businesses," the Assistant Treasurer said.

The draft Exposure Bill addresses concerns relating to the administration of the GST and implements recommendations made to the Government by the Board of Taxation.

The Bill includes the following GST administration measures:

- broadening the operation of the GST agency provisions;
- introducing a bulky goods refund system for residents of Australia's external territories;
- clarifying the Commissioner's power to recover overpaid refunds;
- imposing a four-year limit on claiming input tax and fuel tax credits;
- clarifying the GST law concerning gambling supplies to persons outside Australia;
- clarifying the interaction of the associate rules with other GST provisions; and
- increasing the adjustment note threshold.

"I urge anyone with an interest in improving the administration of the GST to look at the proposed legislation and provide your views," the Assistant Treasurer said.

"The input of stakeholders plays a central role in designing law changes and the Rudd Government is committed to consulting before finalising the legislation."

The measures represent the first set of exposure draft legislation to implement the Government's reform of GST administration. Further tranches of exposure drafts will be released for consultation in coming months.

The draft Bill is now available at www.treasury.gov.au and consultation closes on Tuesday 27 October 2009.

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