

From: DEECD Mail
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To: DL All Corporate (New)
Subject: C282-2007 Supplier GST Registration Changes

Department of Education and Early Childhood Development – Victoria

For all central and regional staff

C282-2007 Supplier GST Registration Changes

Key Messages

From 1 July 2007, the annual turnover threshold requiring **compulsory** GST registration increased from \$50,000 to \$75,000 (and from \$100,000 to \$150,000 for non-profit bodies). Below this threshold, registration is optional.

For entities already GST registered whose turnover is below the new registration levels, they may cancel their GST registration or elect to continue registration.

If you believe that any suppliers you deal with are between the new and old registration limits you should monitor their invoices to see whether GST is still added to their price or their prices become exclusive of GST (because they have opted out of GST registration).

In the latter case, as they are no longer charging GST, you must ensure that you process their GST exclusive invoices to avoid DEECD incorrectly claiming a GST Input Tax Credit and incurring penalties and interest.

The Australian Business Number (ABN) for entities will not be affected by the change to the GST registration level. The ABN registration, whilst relevant for GST purposes, is needed for other purposes most notably having a valid ABN permits us to deal with them without the requirement to withhold 46.5% ‘Pay As You Go - No ABN Withholding’ payments.

Actions Required

- You should monitor supplier invoices to review whether GST is still being included.
- If a supplier’s status has changed, staff should review previous invoices to ensure correct GST treatment and make any adjustments as appropriate.

Critical Dates

- Immediate.

Additional Information

- If you would like guidance on this matter please contact Mike Collins of the Taxation Compliance Unit on 73281 or email him at collins.mike.s@edumail.vic.gov.au.

Claire Britchford
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