

GST alert

Grant Thornton periodical reporting on Goods and Services Tax issues for clients in business.

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Timing for GST refunds - Use it or lose it

You should be aware that the opportunity for claiming additional GST credits relating to previous years is running out. If your business wants to make a claim for a GST refund, there is a time limit of four years, from the end of the tax period of the activity statement.

Tax period	4 year rule effective
1 January - 31 January 2001 (Monthly BAS)	31 January 2005
1 February - 28 February 2001 (Monthly BAS)	28 February 2005
1 March - 31 March 2001 (Monthly BAS)	31 March 2005
1 January - 31 March 2001 (Quarterly BAS)	31 March 2005
1 April - 30 June 2001 (Quarterly BAS)	30 June 2005
1 July - 30 September 2001 (Quarterly BAS)	30 September 2005

A GST refund may be initiated where you have:

- made a clerical or accounting error in a prior BAS
- incorrectly treated a GST-free supply as a taxable supply
- failed to claim an input tax credit from the ATO.

The time limit also applies to claims for:

- overpayments of luxury car tax
- overpayments of indirect tax on importations
- wine tax credits.

We recommend that you review your prior records to make sure:

- you do not miss out on any GST claims for overpayment
- you avoid any penalties owing to non-compliance with GST legislative requirements. The Commissioner of Taxation has clearly indicated in the 2004/05 Compliance Program that the ATO will be paying special attention to examine the compliance of small-medium businesses with respect to GST.

The tax team at Grant Thornton can assist you with comprehensive GST advice. Our specialists have extensive experience in providing advice on various GST issues, including financial services, domestic and cross border transactions, e-commerce, purchase and sale of real estate and transfers of entire or partial businesses.



