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# Recipient Created Tax Invoice – GST Terminologies Amending Legislative Instrument 2007

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## Explanatory Statement

### General Outline of Instrument

1. This determination is made under subsection 29-70(3) of the *A New Tax System (Goods and Services Tax) Act 1999* (the GST Act).
2. The purpose of this determination is to update existing legislative determinations that use terms defined in the GST Act, where the *Tax Laws Amendment (Small Business) Bill 2007* (the Bill) replaces those terms in the GST Act with new terms.
3. The determination is a legislative instrument for the purposes of the *Legislative Instruments Act 2003*.

### Date of effect

4. The instrument commences on:
  - a) if it is registered before Schedules 1 to 8 to the *Taxation Laws Amendment (Small Business) Act 2007* commences – on the commencement of that Act; or
  - b) if it is registered after that Act commences – on the day after it is registered.
5. The instrument will not apply retrospectively.

### What this instrument is about

6. The purpose of this instrument is to update existing legislative determinations that use terms defined in the GST Act, where the Bill replaces those terms in the GST Act with new terms.

Specifically, this instrument replaces the terms 'current annual turnover' and 'projected annual turnover' in the existing determinations listed below, with the new terms 'current GST turnover' and 'projected GST turnover' respectively.

### What is the effect of this instrument

7. The effect of this instrument is that the existing determinations will, as of the date of effect of this instrument, continue to apply in the same way that the instruments applied prior to that time, but will do so using new terminology in place of the previous terminology.

### Background

8. Under subsection 29-70(3) of the GST Act, the Commissioner may determine in writing that a 'recipient created tax invoice' (RCTI) is a 'tax invoice' belonging to a

class of tax invoices that may be issued by the 'recipient' of a 'taxable supply'. The Commissioner has made many such RCTI determinations since the commencement of the GST.

9. Amongst other things, the requirements of these RCTI determinations draw on the terms 'current annual turnover' and 'projected annual turnover', as defined in the GST Act *prior to* the commencement of the Bill. Both of these terms are also related to the term 'annual turnover' as defined in GST Act prior to the commencement of the Bill.
10. The Bill replaces those three terms with 'current GST turnover', 'projected GST turnover' and 'GST turnover' respectively. However, the Bill does not change the meanings of the new terms in the GST Act. The changes in the GST Act will be changes in name only.
11. The Bill will also insert the new term 'annual turnover' into the *Income Tax Assessment Act 1997*, where it will have a meaning different to that which it had in the GST Act.
12. As a result of the Bill replacing the existing terms in the GST Act with the new terms, the existing RCTI determinations (that used the terms 'projected annual turnover' and 'current annual turnover') need to be updated to make use of the new terminology ('projected GST turnover' and 'current GST turnover').
13. The *Taxation Laws Amendment (Small Business) Act 2007* is expected to commence on 1 July 2007. The existing determinations will apply using the new terminology from the date that Act commences, or the day after this instrument is registered – whichever is the later.

### Consultation

14. Section 18 of the *Legislative Instruments Act 2003* specifically provides for circumstances where consultation may not be necessary or appropriate. One of those circumstances is where the instrument is considered minor or machinery in nature, and does not substantially change the law. This instrument falls into that category, and therefore consultation on the development of it has not been undertaken.

### RCTI determinations to be amended by this determination

15. The existing RCTI determinations to be amended by this instrument are listed in the table below.

F2006B11599 - RCTI 2000/1 - Horse racing clubs <i>A New Tax System (Goods and Services Tax) Act 1999 Classes of Recipient Created Tax Invoice Determination (No. 1) 2000</i>
F2006B11586 - RCTI 2000/2 - Road transport <i>A New Tax System (Goods and Services Tax) Act 1999 Classes of Recipient Created Tax Invoice Determination (No. 2) 2000.</i>
F2005B02437 - RCTI 2000/3 - Centenary of Federation licensees <i>A New Tax System (Goods and Services Tax) Act 1999 Classes of Recipient Created Tax Invoice Determination (No. 3) 2000.</i>
F2006B00728 - RCTI 2000/4 - Recycling: general <i>A New Tax System (Goods and Services Tax) Act 1999 Classes of Recipient Created Tax Invoice Determination (No. 4) 2000.</i>
F2007B00005 - RCTI 2000/7 - Greyhound racing <i>A New Tax System (Goods and Services Tax) Act 1999 Classes of Recipient Created Tax</i>

<i>Invoice Determination (No. 2) 2000</i>
F2005B02427 - RCTI 2000/8 - Horse breeders' incentive scheme operators <i>A New Tax System (Goods and Services Tax) Act 1999 Classes of Recipient Created Tax Invoice Determination (No.8) 2000</i>
F2005B02419 - RCTI 2000/13 - Retail: selling agents <i>A New Tax System (Goods and Services Tax) Act 1999 Classes of Recipient Created Tax Invoice Determination (No. 13) 2000</i>
F2005B02415 - RCTI 2000/14 - Retail: merchandisers <i>A New Tax System (Goods and Services Tax) Act 1999 Classes of Recipient Created Tax Invoice Determination (No. 14) 2000</i>
F2006B00662 - RCTI 2000/15 - Caravan parks <i>A New Tax System (Goods and Services Tax) Act 1999 Classes of Recipient Created Tax Invoice Determination (No. 15) 2000</i>
F2005B02409 - RCTI 2000/16 - Prize winning events <i>A New Tax System (Goods and Services Tax) Act 1999 Classes of Recipient Created Tax Invoice Determination (No. 16) 2000</i>
F2005B02408 - RCTI 2000/17 - Recycling: precious metals <i>A New Tax System (Goods and Services Tax) Act 1999 Classes of Recipient Created Tax Invoice Determination (No. 17) 2000</i>
F2006B00083 - RCTI 2000/20 – Licensing <i>A New Tax System (Goods and Services Tax) Act 1999 Classes of Recipient Created Tax Invoice Determination (No. 20) 2000</i>
F2006B00343 - RCTI 2000/22 - Labour services <i>A New Tax System (Goods and Services Tax) Act 1999 Classes of Recipient Created Tax Invoice Determination (No. 22) 2000</i>
F2006B00209 - RCTI 2000/23 - Referral services <i>A New Tax System (Goods and Services Tax) Act 1999 Classes of Recipient Created Tax Invoice Determination (No. 23) 2000</i>
F2005B02068 - RCTI 2000/24 - Access to premises (including coin operated machines) <i>A New Tax System (Goods and Services Tax) Act 1999 Classes of Recipient Created Tax Invoice Determination (No. 24) 2000</i>
F2005B02751 - RCTI 2000/27 – Construction <i>A New Tax System (Goods and Services Tax) Act 1999 Classes of Recipient Created Tax Invoice Determination (No. 27) 2000</i>
F2005B02753 - RCTI 2000/29 - Scrap metal dealers <i>A New Tax System (Goods and Services Tax) Act 1999 Classes of Recipient Created Tax Invoice Determination (No. 29) 2000</i>
F2005B02757 - RCTI 2000/36 - Mineral extraction <i>A New Tax System (Goods and Services Tax) Act 1999 Classes of Recipient Created Tax Invoice Determination (No. 36) 2000</i>
F2005B02758 - RCTI 2000/37 – Renting <i>A New Tax System (Goods and Services Tax) Act 1999 Classes of Recipient Created Tax Invoice Determination (No. 37) 2000</i>
F2005B02790 - RCTI 2000/42 - Fishing operations <i>A New Tax System (Goods and Services Tax) Act 1999 Classes of Recipient Created Tax Invoice Determination (No. 42) 2000</i>
F2005B02791 - RCTI 2000/43 - Primary production labour services

*A New Tax System (Goods and Services Tax) Act 1999 Classes of Recipient Created Tax Invoice Determination (No. 43) 2000*

**F2006B00362 - RCTI 2000/46 - Vehicle dealers**

*A New Tax System (Goods and Services Tax) Act 1999 Classes of Recipient Created Tax Invoice Determination (No. 46) 2000*

**F2006B11581 - RCTI 2000/63 - Quarry Operators**

*A New Tax System (Goods and Services Tax) Act 1999 Classes of Recipient Created Tax Invoice Determination (No. 63) 2000.*

**F2005B02811 - RCTI 2001/3 - Fuel wholesalers**

*A New Tax System (Goods and Services Tax) Act 1999 Classes of Recipient Created Tax Invoice Determination (No. 3) 2001*

**F2006B11588 - RCTI 2001/5 - Transportation of photographic/imaging equipment**

*A New Tax System (Goods and Services Tax) Act 1999 Classes of Recipient Created Tax Invoice Determination (No. 5) 2001*

**F2005B02830 - RCTI 2003/3 - Electronic Pharmacy Data**

*A New Tax System (Goods and Services Tax) Act 1999 Classes of Recipient Created Tax Invoice Determination (No. 3) 2003*

Grant Murphy

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**A/g Assistant Commissioner**

Date: 17/05/07

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*Legislative references:*

A New Tax System (Goods and Services Tax) Act 1999

Legislative Instruments Act 2003

Taxation Laws Amendment (Small Business) Act 2007

Tax Laws Amendment (Small Business) Bill 2007