INTRODUCTION

Taxation is an extremely dynamic area of law and it is important to be aware of relevant changes. Please note that these changes may affect the information contained in this taxation manual and we ask that you contact the University’s Tax Accountant to confirm.

The Australian Taxation Office issues or updates rulings and other administrative guidelines on a daily basis. In addition, a multitude of taxation cases are handed down by the courts and the Administrative Appeals Tribunals daily.

The information in the Tax Chapter is current as at the date above.

*The objectives of this Taxation Manual are as follows:*

To provide a consistent and appropriate treatment of matters to which tax implications may attach, for the University. In particular, to ensure that the University:

- complies with relevant Federal, State and Local government taxation laws, regulations, policies and procedures; and

- complies with relevant international law and treaties.
On 1 July 2000, the New Tax System commenced. The changes included:

- Introduction of the Australian Business Number ("ABN");
- Pay As You Go Withholding for not quoting an ABN;
- Introduction of Goods and Services Tax;
- Introduction of WET ("Wine Equalisation Tax");
- Introduction of Luxury Car Tax;
- Introduction of the Reportable Benefits System; and
- Reduction in personal income rates of tax.

Under the new tax system, the following State taxes have been removed:

- wholesale sales tax, and “bed” or accommodation taxes;
- financial institutions duty ("FID"), and stamp duty on marketable securities; and
- debits tax ("BAD").

It was intended that various other taxes would also be removed as a result of the introduction of the GST.

The New Tax System has been in force for some time now and the Australian Taxation Office has commenced compliance action. There is no longer an amnesty period for incorrect treatment and you should be aware that full penalties and interest charges will apply for any errors or omissions made.
Income Tax Exempt Charity ("ITEC") Endorsement

The University is exempt from Income Tax, under Subdivision 50-B of the *Income Tax Assessment Act 1997* (item 1.1 – Charitable Institution in Subdivision 50-5).

The ITEC endorsement applies from 1 July 2000.

Separate endorsements may be required for each separate entity within the university structure.

Deductible Gift Recipient Endorsement

The University is a Deductible Gift Recipient ("DGR"), under Subdivision 30-BA of the *Income Tax Assessment Act 1997* (item 2.1.1 – Public University in Subdivision 30-B).

Donations over $2.00 (money or property other than money) made to the University are tax deductible to the donor. A tax receipt is issued to the donor for Income Tax substantiation purposes.

The DGR endorsement applies from 1 July 2000.

Separate endorsements will be required for each separate entity within the university structure.