Tax Invoices for Inputs

Subject to the exceptions below, input tax credits equal to the amount of GST paid on goods and/or services, may only be claimed from the Australian Taxation Office (ATO) where the University is supplied with a valid tax invoice. An exemption from this rule is where the value of the transaction does not exceed $55 (inclusive of GST). In this case the University may claim the GST charged without the requirement of having to hold a tax invoice. However, the University still needs to have the invoice and/or receipt for substantiation purposes.

Exceptions: The University is not eligible to claim back GST paid on:
- Expenses incurred in deriving an input taxed supply.
- Expenses greater that $55 (GST inclusive) where a valid tax invoice is not held.
- Non-deductible expenses such as recreational club expenses and entertainment expenses.
- Expenses of a private or domestic nature.

The ATO considers a number of things supplied together as one taxable supply. For example, if the transaction comprises the sale of five items, each with a value of $20, then a tax invoice is required because the total value of the taxable supply exceeds $55.

Generally a tax invoice will be provided automatically at the time of the purchase. However if one is not supplied staff must request a tax invoice be issued (whether the payment for the supply is made via accounts payable, corporate card, petty cash, cash advance or reimbursement of personal expense).

The supplier is required to provide a valid tax invoice within 28 days of request of the recipient.

Tax Invoices for Outputs

Whenever the University provides a taxable supply the University will be required to provide a tax invoice to enable the recipient of the supply to claim input tax credits.
Format of Tax Invoices

If the total amount payable falls between $55 and $1,000 (GST inclusive), the following information must be included on an invoice to meet the requirements of a valid “Tax Invoice”:

- The words "Tax Invoice" stated prominently;
- Supplier’s Australian Business Number (ABN);
- Supplier Name;
- Date of issue of tax invoice;
- Itemised description of the supplies;
- Price of the supply; and
- Either the total amount of GST or where the GST is exactly 1/11th of the total price, a statement that the price is GST inclusive.

If the total amount payable totals $1,000 or more the valid tax invoice must include the following additional information:

- Quantities of each item or extent of services supplied;
- Customer name; and
- Customer address or ABN if address not supplied.

Mixed supplies:
Where the tax invoice is for a ‘mixed’ or composite supply, the valid tax invoice must also show:

- Each taxable sale;
- The amount of GST to be paid for the taxable sales; and
- The amount to be paid for the total sale.

Recipient Created Tax Invoices (RCTI’s)

Recipient created tax invoices are issued by the recipient of the supply, rather than the supplier.

Before an RCTI can be issued, an RCTI Agreement must be entered into between the recipient and the supplier. Each University has its own Recipient Created Tax Invoice agreement.

Subscription forms/Conference registration forms

Subscription forms, Conference registration forms or other documents that are merely offers are issued to allow/encourage such transactions as follows:

- existing subscribers to renew their subscriptions;
• new subscribers to sign up; and
• register attendance to conferences/seminars/workshops.

The form is merely an offer at the stage of issue (not a tax invoice) as the supplier/University may be unsure whether a taxable supply in the form of a renewal or sale will eventuate. To save the supplier/University from having to issue another document (tax invoice) if the offer is accepted, the ATO will treat the offer document as a tax invoice when payment is made, so long as the document includes:

• The details required to qualify as a tax invoice (see Format of Tax Invoices); and
• The following, or similar, statement: 'This document will be a tax invoice for GST when you make a payment.'

Requests for copies of tax invoices

Occasionally after the University has issued a tax invoice, the recipient of the supply may request another copy if the original was lost or destroyed. The copy of the tax invoice or second tax invoice must be marked 'copy' or 'duplicate' to enable easy identification of that document. Input tax credits may be claimed on invoice copies/re-issues provided that the credits have not already been claimed on the original.

Single Document for Multiple Tax Invoices

Suppliers of periodic or progressive taxable supplies do not need to issue separate tax invoices for each component of the supply. A single document can be a tax invoice for all components of the supply if it satisfies the requirements of a valid tax invoice.

Examples of single documents that may be used as tax invoices if the tax invoice requirements are satisfied include:

• contracts; and
• commercial agreements.