



Council S86 Committee GST FAQ's Help Sheet

All Council Section 86 Committees of Management are required to keep a record of all GST received and paid within each financial year.

Why do Council Section 86 Committees need to report on GST?

Council Section 86 Committees are committees of Council and therefore fall under Council's ABN registration – 47 274 526 683. This means that the net balance of GST (GST collected vs GST paid out) should be either paid by the committee to Council (If the GST collected is greater than that paid out) or paid to the committee by Council (If the GST collected is less than that paid out)

Council is registered for GST; hence committees are registered for GST and must report on this each year.

Recording GST that the committee has paid.

How do I know what has GST and what does not have GST?

All receipts and invoices paid by the committee will have GST written on them if it is applicable. This should be recorded against each item in your records.

For example, some items you buy from the supermarket will have GST and other won't, the receipt will indicate the GST amount.

DESCRIPTION

- % COCA-COLA SOFT DRINK 30PACK
- COLES SPRING WATER 24PACK
- % CIN & FRUIT SCROLL L 1EACH
2 @ \$4.00 EACH
- % CROISSANTS ALL BUTTE 1EACH
- % CHOCOLATE ECLAIR 1EACH

Total for 6 items: \$79.99

Coles FinSvc \$10 off \$10.00
EFT \$69.99
GST INCLUDED IN TOTAL **\$6.40**

COLES
Melbourne VIC AU
23/05/17 09:54 13381358 NR3980
***** 5545 MASTERCARD
SAVINGS ACCOUNT ANZ Bank
APSN 0000 A000000041010
PURCHASE AUD\$ 69.99
RRN 001100732700 (OO)APPROVED

flybuys Card NO:
% = Taxable items

Total Savings \$10.00

Total Savings include any Promotional

Penny's Treats
ABN XX XXX XXX XXX

Date: 05/07/2010
INVOICE No. 0209

Item	\$
Item 1	5.00
Item 2	3.00
Item 3	15.00
Item 4	35.00
Item 5	10.00

TOTAL AMOUNT PAYABLE \$68.00

No GST has been charged

For some invoices the business might not charge GST if they are not register for GST, this should be clearly stated on their invoice.



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The invoice I have states that the price is GST inclusive, how do I work out what the GST component is?

The GST (Goods and Services Tax) is a broad-based tax where 1/11th is applied to supplies of most goods and services consumed in Australia. If the invoice states that it is GST inclusive, then 1/11th of the total price will be the GST component.

The invoice states that there is no GST, what should I do?

If the invoice states that no GST has been charged, then you cannot claim GST as you have not paid any GST on it. You will need to record this invoice in your books as \$0.00 GST. Certain items do not attract GST, for example donations. Some businesses are also not registered for GST and therefore they cannot charge GST on their invoices.

Committees Charging GST

What do I need to charge GST on?

All services provided by the committee will need to include GST.

For example;

- Hall Hire Fees
 - The fees for hire are adopted each year by Council and are GST inclusive.
- Equipment Hire
 - E.g. Tables, chairs, speakers.
 - Hire for equipment is set by the committee and needs to include GST.
- Sporting Club User Fees
 - As per Council's adopted pricing policy these are GST inclusive fees.
- Utilities
 - If the committee is on charging utility fees to clubs GST must be on charged, or in the case of Gippsland Water invoices which do not contain GST added to the total.
- Cleaning
 - If this is on-charged by the committee GST will need to be charged.
- Catering
 - If this is on-charged by the committee GST will need to be charged.

What about bonds?

GST does not need to be charged on bonds.



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Reporting on GST

What do I need to do?

Each financial year committees are required to complete an annual GST Return Form. This can be submitted as part of the annual maintenance allocation application or at the same time as submitting your Annual Financial return to Council. The form is located in the Good Practice Guide and on Councils webpage. See copy below.

GST Return Form

The personal information requested on this form is being collected to enable council to consider the application. Council will use this information for this purpose or one directly related and may disclose this information as required by law in accordance with the *Privacy and Data Protection Act 2014*. The applicant may apply to council for access and/or amendment of the information by contacting council's freedom of information/privacy officer on 5624 2436

Section 1: Goods and Services Tax (GST)

Total Sales Does the total sales include GST?
 Yes No

Other GST Free Sales Capital Purchases Non-capital Purchases

Section 2: Summary

Amounts you owe the Australian Taxation Office (ATO) GST on sales (GST Collected)

Amounts the Australian Taxation Office (ATO) owes you GST on purchases (GST Paid)

Section 3: Payment or Refund

Is the GST collected (Income) greater than the GST paid (Expenses)
 Yes No

If 'Yes' please write the amount below, this is payable to the ATO. If 'No' please write the amount below, this amount is refundable to the Committee.

Section 4: Declaration

The above information has been prepared by the following to be true and correct.

Prepared By Committee Date

Callouts:

- Total GST that the committee has collected on invoices raised for hire, user fees etc
- Total GST that the committee has paid on invoices raised for maintenance, utilities etc
- This section will determine if the committee will receive a GST refund or be required to pay. If the committee has paid more GST than collected then the Committee will be refunded the difference.

Contact us

We're here to help! For more information please contact Council's Recreation Team on 5624 2483 or by email at recreation@bawbawshire.vic.gov.au

You can also find more information on the Australian Taxation Office (ATO) webpage - <https://www.ato.gov.au/Business/GST/>