GST and Activity Statement

Goods and Services Tax (GST):



A business or enterprise must register for Goods and Services Tax (GST), if **GST turnover is $75,000** or more ($150,000 or more for non-profit organisations), or you provide taxi travel (including ride sourcing).

Registering for GST is optional if the business or enterprise doesn't fit into one of the above categories. If you choose to register, generally you must stay registered for at least 12 months.

Not every business or enterprise needs to be registered for GST, but penalties may apply if you fail to register when required to do so.

Once you are required to register for GST, you need to do so **within 21 days.**

GST Turnover:

GST turnover is the total business income (not profit), **minus**:

- GST included in sales to the customers.
- sales that aren't for payment and aren't taxable.
- sales not connected with an enterprise you run.
- input-taxed sales you make.
- sales not connected with Australia.

GST reporting methods:

(GST) reporting method is based on the business's GST turnover and other reporting requirements.

If GST turnover is less than 10 million	**If GST turnover is more than 10 million**
1. Simpler BAS reporting method	Full reporting method
2. Simpler BAS or the GST full reporting method - if a**ggregated turnover is greater than $10 million,** or input taxed supplies as the main business or enterprise activity	

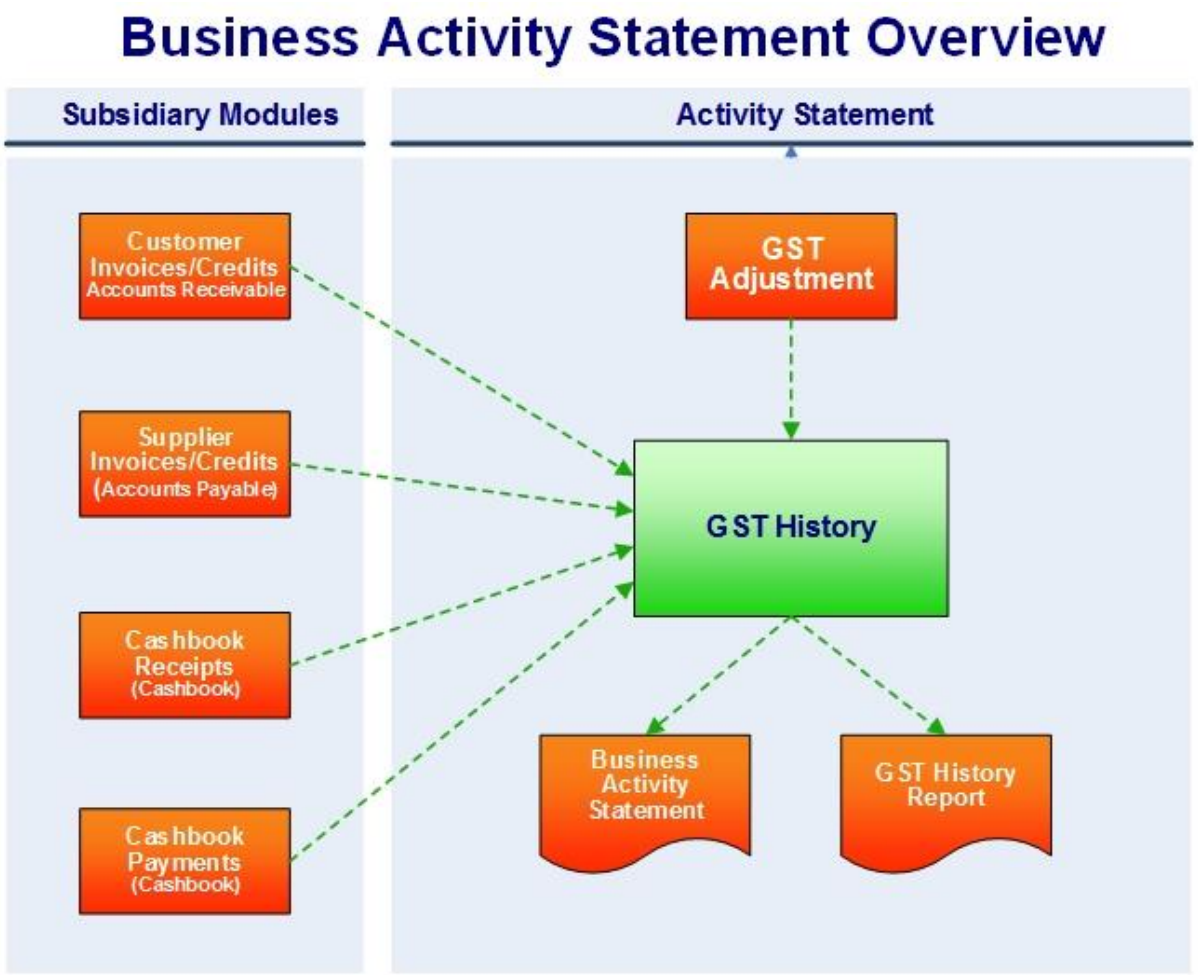
3. GST instalment method - GST instalments quarterly and report annually	

Aggregated turnover is your business turnover plus the turnover of closely associated entities.

Business Activity Statement (BAS):

BAS is not actually one single type of statement, but rather a general term for forms used by businesses to report and pay various taxes as below.

- Pay As You Go (PAYG) instalments.
- PAYG withholding tax.
- Fringe Benefits Tax (FBT) instalments.
- Luxury car tax (LCT).
- Wine equalization tax (WET).
- Fuel tax credits.



- **Monthly Activity Statement:**
  - ✓ When GST turnover is $20 million or more.

- ✓ The businesses may choose to report GST monthly when their GST turnover is less than $20 million.

Montly	Due date when directly filed with ATO	Due date - BAS agent concession for lodgment and payment if lodging by Online services for agents
Monthly Activity Statement	21st of the following month	Not applicable The electronic lodgment and payment concession does not apply to standard monthly activity statements.
December Activity Statement	21 January	21 February – December monthly business activity statements for business clients with up to $10 million turnover who report GST monthly and have elected to receive and lodge electronically using a registered agent.

- **Quarterly Activity Statement:**

  - ✓ When the GST turnover is less than $20 million.
  - ✓ If you lodge online, you may be eligible for an extra two weeks to lodge and pay your quarterly BAS.

Quarter	Due date when directly filed with ATO	Due date when directly filed with ATO via electronically	When filed through Tax Agent with ATO
July, August, and September	28 October	11 November	25 November
October, November, and December	28 February	28 February	28 February
January, February, and March	28 April	12 May	26 May
April, May, and June	28 July	11 August	25 August

The components of Business Activity Statement will be explained in detail in next week.