

Rowing Victoria Regatta Entry Invoicing

2/8/2018

From the 1st July 2018, Rowing Victoria is changing its regatta entry invoicing process to comply with an ATO private ruling¹ determination confirming that Rowing Victoria ('we' or 'our') acts as an agent for our regatta organising committees ('ROC').

Because ROC's may, or may not, be registered for GST, we will be providing the following documents depending on each ROC's GST registration status.

ROC is registered for GST

We will:

- a) issue Clubs and Schools ('members') with Tax Invoices for their regatta entries showing the seat fee and the included GST. The recipient, if registered for GST, will receive an input tax credit.
- b) provide Recipient Created Tax Invoice² to the ROC showing the total number of entered seats, the seat fee, and the included GST. The RCTI includes the RCTI Agreement and a 153-B Agreement.
- c) issue a Tax Invoice to the ROC for oar fees, the rescue and first aid levies and any other costs that we have incurred on behalf of the ROC.
- d) collect the entry fees from members and net off the RCTI and our Tax Invoice and remit the net amount due to the ROC.

ROC is not registered for GST

We will:

- a) issue members with an Invoice³ for their regatta entries showing the seat fee. No GST will be included so the recipient will not receive an input tax credit.
- b) advise the ROC of the number of entered seats and request an Invoice from the ROC. No GST can be included in this Invoice.
- c) issue a Tax Invoice to the ROC for oar fees, the rescue and first aid levies and any other costs that we have incurred on behalf of the ROC.
- d) collect the entry fees from members and net off the ROC's Invoice and our Tax Invoice and remit the net amount due to the ROC.

We will issue members with a Tax Invoice for any late entry fees or other fines incurred at the regatta.

Implications for members

This private ruling has implications for our members. Where a member is registered for GST and the ROC is not registered, the member may need to add GST when passing entry fees through to your individual members or to other members and athletes that you have entered in the regatta.

Consequently, impacted members should seek appropriate advice taking into consideration their Club or Schools processes and procedures.

¹ ATO private ruling [1051375772318](#).

² Paragraph 13 of [GSTR 2000/10](#). Regatta entries are in a class of tax invoices that may be issued under [RCTI 2016/15](#).

³ ATO private ruling [1012880708247](#) states that '... GST does not apply to the performance fee that the customer pays if the performer is not registered for GST. Hence, you should not be charging GST on the invoice that you issue to a customer where the performer is not registered for GST (the invoice should not specify or indicate a GST amount and the word 'tax' should not appear before the word 'invoice' and no party has a GST liability to the Australian Taxation Office in respect of the price on this invoice).'

GST Definitions

ABN: Australian Business Number. The ABN is a public number that gives businesses in Australia a single identification number to use when dealing with a range of government departments and agencies.

Acquisition: The purchase of goods or services

ATO: Australian Taxation Office

GST: Goods and Services Tax as defined in A New Tax System (Goods and Services Tax) Act 1999

Input Tax Credit: An entitlement arising under section 11-20 or 15-15 of A New Tax System (Goods and Services Tax) Act 1999. The amount of an input tax credit for a creditable acquisition is an amount equal to the GST payable on the supply of the acquisition

Invoice: An invoice is a document sent by a seller showing the price of a sale and notifying of an obligation to make a payment⁴.

Recipient: Entity who receives a supply of goods or services

Recipient Created Tax Invoice (RCTI): An invoice which is issued by the entity that receives the taxable supply (the recipient) rather than the actual supplier. This is permitted where both the recipient and the supplier are registered for GST and at the time the RCTI is issued, they have a current written agreement with each other which states which supplies are covered. The ATO must have determined that those supplies are of a kind that can have RCTIs issued.

Supplier: Entity who supplies goods or services

Tax Invoice: A tax invoice is a document generally issued by the seller. It shows the price of a sale, indicating whether it includes GST, and may show the amount of GST. You must have a tax invoice before you can claim a GST credit on your activity statement for purchases of more than \$82.50 (including GST).

Additional information, and a comprehensive list of GST terms is available [here](#).

⁴ Paragraph 67 of [GSTR 2013/1](#)