



Australia

The local name for VAT: Goods and Services Tax (GST)

GST Standard rate

The standard VAT rate in Australia in 2023 is 10%.

GST Reduced rate

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GST-free products and services

Most basic foods, some education courses, and some medical, health, and care items and services are exempt from GST.

Threshold

The foreign entity must register for GST in case its turnover from sales, that are connected with Australia, is up to or more than the registration turnover threshold of A\$75,000 (approx. €45,000). “Connected” means goods that are supplied within Australia or services linked to goods in Australia, or services carried out in Australia.

Low-value goods

Goods with a customs value of A\$1,000 (approx. €615) or less (referred to as low-value goods) supplied from overseas to Australian customers may include GST that will apply at the point of sale. However, not all sales will include GST. If a company sells less than A\$75,000 of low-value goods to consumers in Australia (or other supplies subject to GST) per year, it will not be required to charge GST. However, if the company sells A\$75,000 or more of low-value goods to customers in Australia (or other supplies subject to GST) per

year, such as through a website or call center, then it is necessary to register for and pay GST on those sales.

GST on goods with a value of more than A\$1,000 continues to be collected as part of normal border clearance processes in Australia.

Online Marketplaces

Online marketplace traders and redelivery service suppliers are treated as suppliers and face the same requirements to register for, collect and pay GST. For example, Amazon requires to calculate, collect and pay 10% GST on low-value goods sold on amazon.com.au by retailers that are shipped from outside Australia to customers in Australia. But if the company sells via Amazon FBA – it takes the responsibility for its GST obligations when selling to consumers in Australia using the FBA service. And if its turnover is more than A\$75,000 AU per annum, then it is necessary to register an account for GST on sales of chargeable products.

Tax representative

There are no representative obligations in Australia.

GST registration procedure

Companies that are required to register for Australian GST, can choose either simplified GST registration or standard GST registration.

Simplified GST registration has fewer administrative burdens than standard GST registration. However, the company can't claim any GST credits under this registration. In both cases, the company will be required to complete and submit a VAT registration form via the website of the Australian Taxation Office.

The supporting documentation is as follows:

- Certificate of incorporation;
- Trade register extract;
- VAT certificate;
- If the company is appointing a local tax consultant or fiscal agent, then a Letter of Authority or Power of Attorney is.

*All the docs should be translated into English language.

GST payment and filing date

GST returns and payments are due on a monthly and quarterly basis depending on the amount of turnover:

- *Monthly* – on the 21st of the end of the GST period if turnover is more than A\$20 million per year
- *Quarterly* – on the 28th of the end of the GST period if turnover is less than A\$20 million per year.

Companies can also keep track of deadlines at the [LOVAT portal](#).



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