

COMMON GST MISTAKES

- GST claimed on loan repayments, including Chattel Mortgages, credit cards, HPs. These items are NOT included at G11
- Drawings included at G11 – these should be excluded & don't have GST.
- Merchant Fees have GST
- Bank Fees don't have GST
- Insurance has GST but it isn't 1/11. Stamp Duty portion has no GST.
- There is no GST on income protection.
- Registration for MV. Can only claim GST on the CTP if you have already stated that it is a business vehicle.
- GST is not 100% of the purchase price of a motor vehicle e.g. Government fees, registration are GST Free. Purchase goes in G10.
- Assets costing more than \$1,000 need to go in G10 not G11.
- GST claimed on GST free supplies
 - e.g. rates, stamp duty, water,
 - some staff amenities e.g. milk, sugar
 - ATO payments and fines (N-T)
- Government Licencing does not have GST e.g. ASIC fees, BSA, Business Registration (BSA insurance has GST)
- Residential properties – cannot claim GST
- Sale of any business equipment (including motor vehicles) need to have GST on the sale and is included at G1
 - G1 includes ALL income including those without GST e.g. Grants, interest, overseas sales but does not include ATO Refunds, bank loan funds, capital contributed by directors.
- Entertainment expenses – generally only 50% of the GST is claimable
- Wages & Superannuation do not have GST on them and are not reported at G11.
- Protective and logoed clothing is deductible and has GST. Underwear and socks are not protective and are unlikely to have your business name on them.