

Book review: *Conveyancing Plus GST*

The GST has been represented as "simple tax". In reality it is often very difficult to work out how it really applies in a range of practical situations. Many old (and apparently familiar) transactions must be revisited for analysis in the new light cast by the GST.

For most people the first thought on GST is that it is a tax on goods and services. This is true enough so far as it goes. However, the tax extends to transactions in land, leases, intellectual property rights, guarantees, some taxes and virtually anything else. It is the broad extension of the term "supply" which leads to the many problems in applying GST to practical situations.

This broad approach to the term supply leads to the following problems:

- (a) difficulties in identifying what is supplied with any precision;
- (b) difficulties in characterising a transaction as exclusively involving one kind of supply or another, and
- (c) difficulties in ascertaining precisely when a supply occurs.

The book *Conveyancing Plus GST* takes a general approach to describing GST and how it will effect businesses that have an emphasis on property transactions. The book tackles many of the difficult issues with GST including;

- (a) the Margin Scheme;
- (b) sale of going concern
- (c) timing issues; and
- (d) the transitional provisions.

It would be impossible for a book to cover in great detail every aspect of GST and property transactions, however this book goes a long way to giving practitioners an insight into how GST will affect them. The examples given in the book are very useful and allow the authors to fully explain many of the issues which lead to confusion.

A point to note is that the GST legislation is constantly changing and often the rulings published by the Tax

Commissioner do not seem to reconcile to the GST legislation. For this reason it is imperative to ensure that recent materials are referred to prior to relying on information contained in the book. There are several minor changes which have occurred since the book was published (for example the GST free provisions have been amended to include a service of draining storm water).

However, the book's general approach to GST gives a practitioner a strong basis to understand the underlying principles of GST. I believe this is a must read book for all practitioners and would also be helpful to anyone wishing to understand the basic principles of GST. The book is very light reading which is helpful when trying to obtain knowledge with regard to any form of tax.

To sum up, the book is very well written and gives an opportunity for practitioners to understand the underlying principles with regard to the Australian GST system.

To end with I note the following quote from Tolley's VAT cases in the 1999 Edition:-

Connoisseurs of VAT will also know that over the years in which the tax has been in existence, the tribunals have had to cope with ... a wide variety of subjects ... the amount of legal time which has been devoted to cases such as this can only add weight to the view that ... value added tax and its complexities are out of control ... we are left with no option but to sit back and enjoy it.

Conveyancing Plus GST is written by Mr Simon Libbis and published by Hybrid Publishers. It costs \$15 and can be ordered from Hybrid Publishers by telephone: 03 9578 5362 or facsimile: 03 9578 5233.

Book review by Mr Simon Coulter.
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FAQ Bulletin: GST help

In preparation for July 1 the Law Society of NSW has produced a FAQ bulletin dealing with some of the common questions about the application of the GST transitional rules.

The bulletin answers the following questions:

1. What are spanning agreements?
2. What are the critical dates?
3. What is a review opportunity?
4. Will a CPI increase constitute a review opportunity?
5. Will a market review constitute a review opportunity?
5. What if I make a periodic or progressive supply over a period?
6. Do I need a bill for work as at 30 June 2000?
7. How do I account for work done before 1 July 2000, but not billed until after 1 July 2000 or if payment is not received until on or after 1 July 2000?
8. How do I account for GST that was paid before 1 July 2000?
9. How do I account for payments received before 1 July 2000 for supplies to be made on or after 1 July 2000?
10. How do I treat discounts or 'uplifts' on spanning agreements?

The FAQ Bulletin can be found on the NSW Law Society's GST website at: <http://lawsocnsw.asn.au/practice/gst/faq/faq-Work.html>

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