

# Advanced Business Manager Pty Ltd



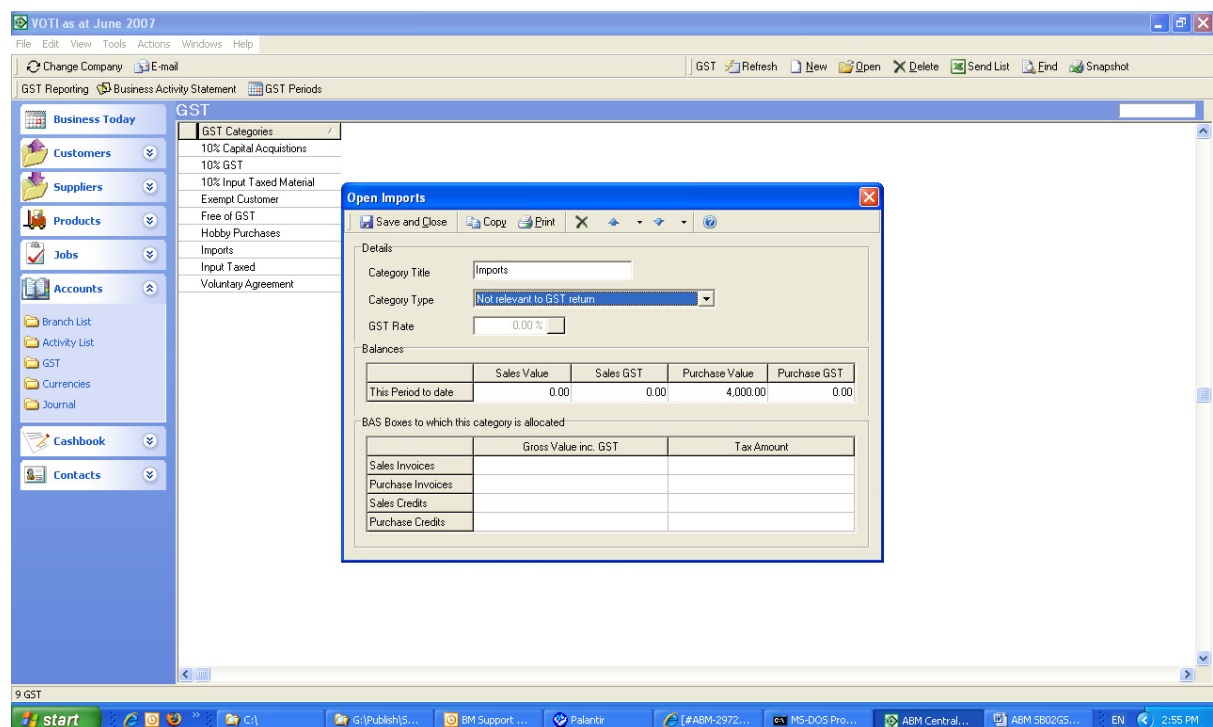
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## Support Bulletin # 2 Handling GST on Imports

No GST is paid to overseas suppliers. The customs department calculate the Value of Taxable Imports (VOTI) at the time the goods are cleared through customs. This value often varies from the original purchase price of the goods.

A book keeping process needs to be established to correctly record the VOTI on the BAS. The following is one such process that may be used.



1. Establish an Import GST Category. Ensure the category type is set to "Not relevant to the GST return"
2. When processing the invoice from the overseas supplier use this Import GST Category
3. When processing the GST charged by customs use two ledger lines both to the purchases account.

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The first line is the value of the VOTI & uses the GSTTAXABLE GST Category

The screenshot shows the 'Purchase Invoices' window with the following details:

- Account Code: [ ]
- Gross Amount ex.GST: 0.00
- Description: [ ]
- GST Code: 10% GST
- Qty. Invoiced: 0
- GST Amount: 0.00
- Qty. Delivered: 0
- Qty. Ordered: 0

Code	Description	Quantity	Price	Discount	Exc.GST	GST	Inc.GST
0130.00.00	Stock Purchases	1	8,000.00	0.00	8,000.00	800.00	8,800.00
Line No.2 Batch Total 0.00		Totals		0.00	8,000.00	800.00	8,800.00

The Second is for minus the value of the VOTI & uses the IMPORT GST Category

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**Purchase Invoices**

Open Printing Options Line Items Cancel Save & New Save & Close

Invoice Header Product Item Text Item Ledger Item Job Item Freight Charges

Account Code: 0130.00.00 Gross Amount ex.GST: -8,000.00

Description: Stock Purchases GST Code: Imports

Qty. Invoiced: 1 GST Amount: 0.00

Qty. Delivered: 1

Qty. Ordered: 1

Cancel Item Next Item

Code	Description	Quantity	Price	Discount	Exc.GST	GST	Inc.GST
0130.00.00	Stock Purchases	1	8,000.00	0.00	8,000.00	800.00	8,800.00
0130.00.00	Stock Purchases	1	-8,000.00	0.00	-8,000.00	0.00	-8,000.00
Line No.2 Batch Total 0.00		Totals		0.00	0.00	800.00	800.00

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The results in the BAS being updated with the correct values

Business Activity Statement			Calculation Sheet		
		0	Capital purchases inc. GST	G10 \$	0
		0	Other purchases inc. GST	G11 \$	8,800
Total sales inc. GST	G1 \$	0	Total purchases inc. GST	G12 \$	8,800
Export sales	G2 \$	0	Purchases for input taxed	G13 \$	0
Other GST-free sales	G3 \$	0	Purchases with no GST	G14 \$	0
Input taxed sales	G4 \$	0	Private use & non-deductable	G15 \$	0
Total GST-free and input taxed	G5 \$	0	Total non-creditable purchases	G16 \$	0
Total taxable sales	G6 \$	0	Total creditable purchases	G17 \$	8,800
Less Sales Adjustments	G7 \$	0	Less Purchase Adjustments	G18 \$	0
Total after adjustments	G8 \$	0	Total after adjustments	G19 \$	8,800
GST payable = G8/11	G9 \$	0	GST credit = G19/11	G20 \$	800
Total of salary, wages, etc.	W1 \$	0	Other amounts withheld	W3 \$	0
Withheld from W1 payments	W2 \$	0	Withheld where no ABN quoted	W4 \$	0
PAYG instalment income	T1 \$	0	ATO instalment rate	T2 %	
New varied rate	T3 %		Reason for variation code	T4	
FBT instalment	F1 \$	0	Varied FBT amount	F3 \$	0
Estimated FBT for the year	F2 \$	0	Reason for variation code	F4	

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