

ELLYN MARTIN OUTLINES PROGRESS IN THE ACE SECTOR FOR DEALING WITH THE GST AND ITS UNCERTAINTIES.

The GST in ACE

Adult Learning Australia has received funding from the GST Start-Up Assistance Office to coordinate educational programs and information for adult and community education organisations around Australia. ALA branches and state-wide peak bodies are working closely with the ACE GST Project Manager on the project.

The two main issues for ACE are the Determination by the Federal Education Minister about what an adult and community education course is, and a Ruling by the Australian Tax Office (ATO) about the definition of "likely to add to the employment related skills of the people undertaking the course".

There is quiet optimism that both the Ministerial Determination and the ATO Ruling will be favourable to ACE, including our traditional community (or Stream 1000) programs. The Determination and the Ruling should both be made public in late April at the earliest. This timing is causing some concern for providers, who need to know whether the GST will apply to their courses or not. The ATO has been asked for advice on dealing with this situation – a response is eagerly awaited and will be disseminated once issued.

Ellyn Martin is representing ACE on a forum, convened by the ATO, of national peak bodies in the education industry. Minutes from these forums will be linked to the ALA GST page at www.ala.asn.au/gst.html.

Most of the discussion at the first of these monthly education industry/ATO forums centred around an ATO Ruling on Education, scheduled for release on 16 February at the time of writing. This Ruling will include definitions of course materials, facilities, and sale/hire/lease/levies (eg. of books, equipment). Once the Ruling is issued, there will be a period of 28 days during which the public can respond with comments or submissions.

The national forum provides an opportunity for providers to ask questions and raise issues with the ATO. ATO officials are also encouraging providers to raise issues with them via this forum rather than seek private rulings, as it is a much more efficient use of resources all round. Items can be forwarded directly to Ellyn or via ALA.

The work of the Charities Commission, which is wading through GST issues relevant to charities and non-profit organisations, is of interest to many ACE providers. Minutes of their meetings and Rulings issued in respect of issues raised can be accessed from www.taxreform.ato.gov.au/charities/charities.htm.

A number of publications on the GST are available from websites and the ATO. The GST and Business Skills – An Action Guide for Small and Medium Enterprises, Charitable Organisations and Educational Bodies is an accessible document, providing some clear explanations about how the tax will work in a general sense.

Higher Education and Training and the New Tax System has been widely distributed throughout Australia by ALA and is available on the Tax Reform website, local tax offices and the Tax Reform Infoline on 13 24 78. It provides basic information on the GST, with particular reference to education, however will need to be supplemented with additional ACE-specific information once the aforementioned issues are resolved.

ATO Field Officers are available to come to workplaces to talk about the GST. They will only provide generic information about the GST, as they don't have industry-specific expertise and, like us, are awaiting clarification of a number of issues. Nevertheless, there could be value in asking someone to come and talk to your bookkeeper, Treasurer or Committee. They are available for one-on-one discussions or to groups. Field Officers can be booked by calling 13 24 78.

There has apparently been some confusion surrounding the issue of \$200 vouchers for businesses that register for an ABN, which can be used to offset some of the compliance costs. These vouchers were promoted as being available to all small and medium businesses which registered, but in fact are NOT being distributed to educational bodies, which are receiving support through the Organisation-Delivered Assistance of the Start-Up Office instead, that is, the ALA GST project.

In discussions with providers and peak bodies around Australia, it is apparent that providers are at different points of readiness for the implementation of the GST on 1 July. While the Ministerial Determination and ATO Ruling are

obviously key issues for our sector, there are a number of matters that providers can and should be dealing with, such as ascertaining whether or not they should register for an ABN. ■

Ellyn Martin is coordinating the GST in ACE project, on secondment for 6 months from the Continuing Education Centre in Albury Wodonga.

For information about seminars in your State or Territory, contact:

VIC: ACE (Vic), 03 5367 7498, acevic@bacchusmarsh.net.au or ANHLC, 03 9654 1104, anhlcnet@vicnet.net.au

NSW: ACE Council, 02 9565 1312, ecca@enternet.com.au or CAEC, 02 6782 7253, barrace@mpx.com.au

QLD: ALA, 07 3844 6677, hschwenc@dovenetq.net.au

For all other States and territories, contact the ACE GST Coordinator, Ellyn Martin: email e.martin@ala.asn.au or phone 0412 375 760.

Websites on the GST

- GST Start-Up Assistance Office, at www.gststartup.gov.au
- Welcome to tax reform: the ATO site, at www.taxreform.ato.gov.au
- A new tax system: the Treasury site, at www.treasury.gov.au/taxreform
- Reformwatch: the anti-GST site, at www.sneaker.net.au/~mdavids/reformwatch/tax
- Tax reform debate: Analysis and commentary from the Australian Council of Social Services, at www.acoss.org.au/taxreform
- Women's Electoral Lobby: encouraging people to protest against the GST on tampons and sanitary pads, at www.wel.org.au