



Australian Government  
Australian Taxation Office

# Reforming Tax Systems in the Digital Era: About Australia's GST Reform

**Benson Ong**  
**Senior Advisor – International Engagement**  
**Australian Taxation Office**

# Australian GST reforms: Overview

## ***Recent International tax changes***

Legislative changes over the last 2-3 years have changed the risk landscape and the administration of GST and VAT globally:

- Multinational Anti-Avoidance Law (2016)
- Diverted Profits Tax (2017)
- GST on imported services and digital products (2017)
- Low value imported goods (2018)



## ***The role of platforms***

Platforms are responsible for collecting the GST, when goods or services are sold through them.

## ***Early results***

A lower number of businesses have been required to register. This has enabled a greater opportunity to support a small client base who are new to the Australian GST system.

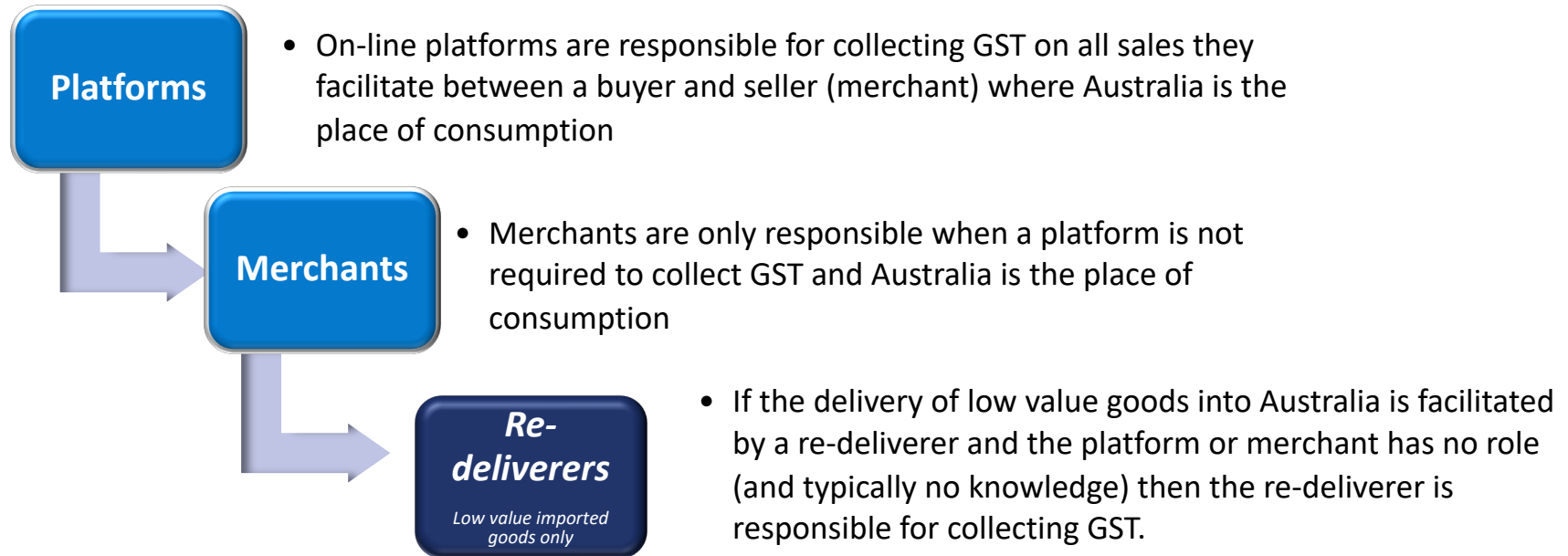
Over 1,500 overseas businesses, including the major platforms, are registered in the simplified GST system for non-residents

# Key Summary of impact of Australia's cross-border changes

Element	Low value imported goods	Services and digital products
GST Turnover	\$75,000 (12 month period) – Supplies connected with Australia	
Supplier	on-line platforms	
	Merchants	
	Re-deliver	n/a
<b>B2C – supplier responsible</b> <i>(previously no GST collected)</i>	<b>goods imported into Australia by consumers</b>	<b>Australian resident consumers</b>
B2B – GST registered purchaser responsible	GST not applied at sale – reverse charge where applicable	
Registration options	Simplified and standard	
Notifications	Special rules for invoices and customs information	No special rules
Financial limit	Customs value A\$1,000 or less	None

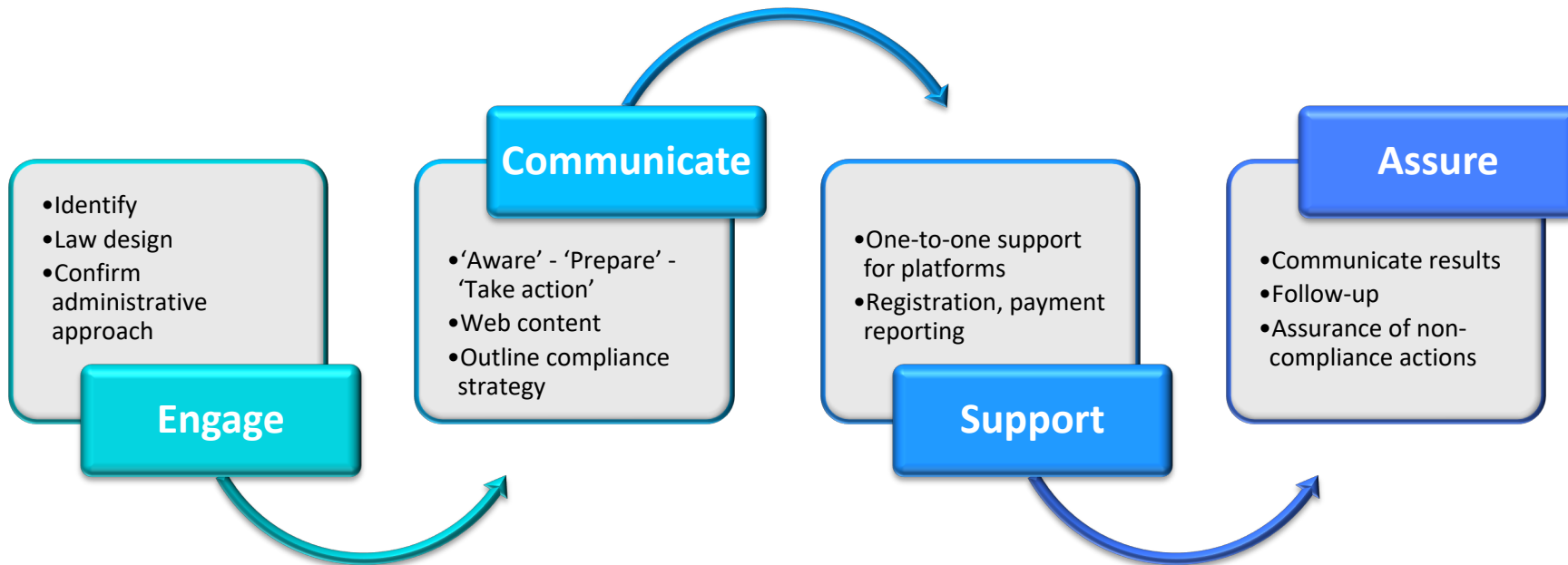
# Australian GST reforms: Who is the supplier?

## Minimise registrations



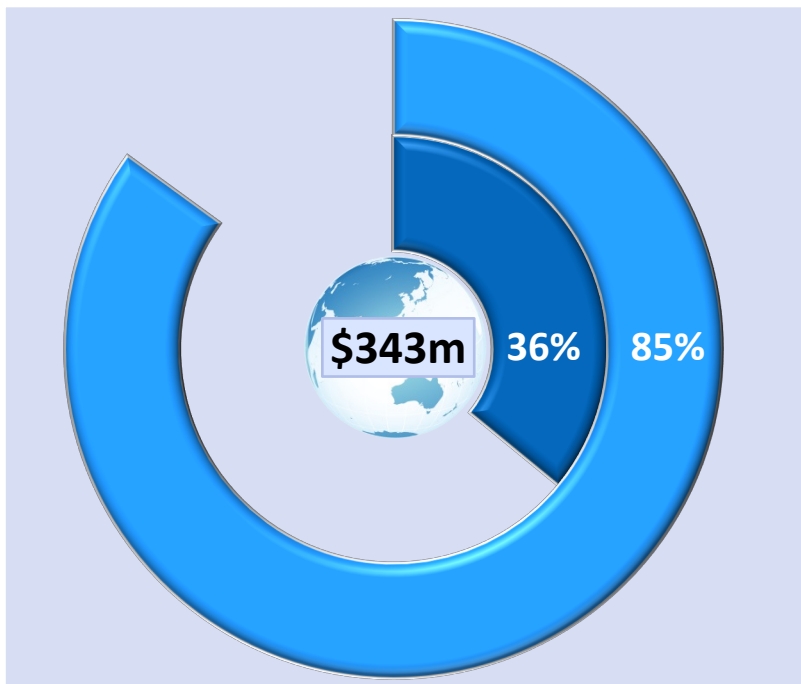
# Australian GST reforms: Our experience

## Engagement and Compliance



# Australian GST reforms: revenue collected

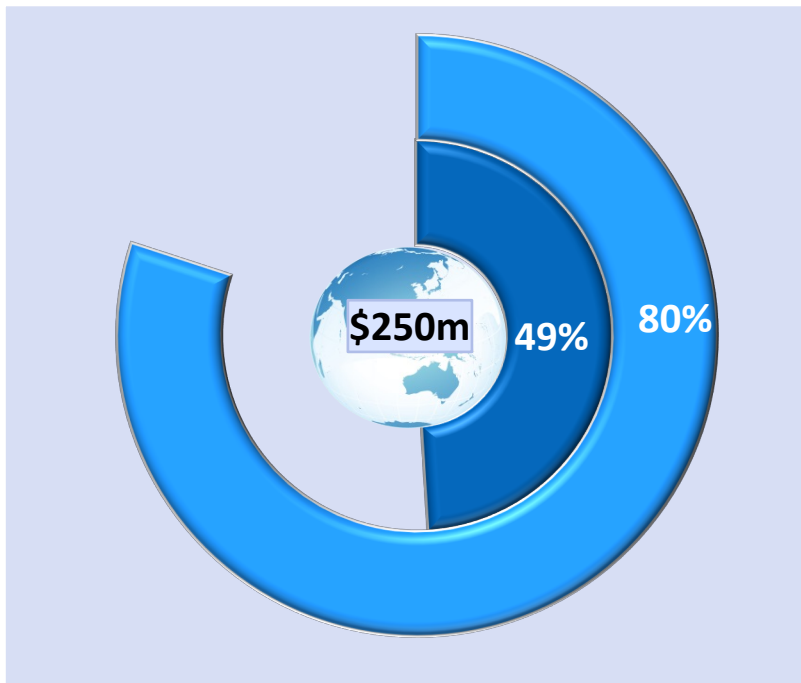
## GST collected by platforms on digital products and services



- From 1 July 2017 to 30 September 2018:
- More than 500 businesses registered in the simplified system including platforms
  - Platforms account for GST on taxable sales made through them
- **36 per cent** of revenue was collected by the **top 5** platform entities, this includes
  - Fees to use the platform
  - Sales by third parties
- **85 per cent** of revenue was collected by the **top 30** entities (top 10 platforms and 20 merchants)

## Australian GST reforms: revenue collected

### GST collected by platforms on goods under AUD1,000



- From 1 July 2018 to 31 March 2019:
- More than 1,000 businesses registered including multiple platforms
  - Platforms account for GST on taxable sales made through them
  - This relieves many small businesses from having to register
- **49 per cent** of revenue was collected by the **top 5** platform entities
- **80 per cent** of revenue was collected by the **top 30** entities (top 10 platforms and 20 merchants)



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# Thank you