Goods and Services Tax Checklist 2023

# Goods and Services Tax Checklist 2023

The checklist provides a general list of major issues that should be addressed, it is not designed to be an exhaustive list of all issues that may warrant consideration.

This information is current as at 5 December 2022.

The following version control information has been included to assist you to monitor changes to the following guidance to ensure you are using the latest version.

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**About the author**

This checklist was prepared by Baker Tilly Staples Rodway on behalf of CPA Australia.

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| --- | --- |
| CLIENT’S NAME |  |

|  |  |  |  |
| --- | --- | --- | --- |
| GENERAL | YES | NO | N/A |
| Is someone responsible for overseeing the correct recording of GST? |  |  |  |
| Have all taxable supply information issued and received by the company meet the requirements of a valid taxable supply information (see below for details of the requirements)?  |  |  |  |
| * The name of the supplier
 |  |  |  |
| * The GST number of the supplier (if over $200)
 |  |  |  |
| * The date the invoice is issued
 |  |  |  |
| * The description of the goods and/or services supplied
 |  |  |  |
| * The total amount payable for the supply
 |  |  |  |
| * A statement that GST is included
 |  |  |  |
| * The name and address of the recipient of the supply (if over $1,000)
 |  |  |  |
| * The quantity or volume of goods and/or services supplied (if over $1,000)
 |  |  |  |
| Note that ‘taxable supply information’ can still show the old ‘tax invoice’ terminology.  |  |  |  |
| Are all invoices retained for a period of seven years? |  |  |  |
| Briefly describe the process of recording GST and the filing of source documentation (please advise how records are organised – by date, supplier etc.) |  |  |  |
| Briefly describe the process for remedying an error identified in respect of an earlier GST return, including the thresholds applied to determine what course of action is to be undertaken. |  |  |  |
| **Comments:** |

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| DEDUCTIBILITY AND COMPLETENESS | YES | NO | N/A |
| **PRIVATE INCOME / EXPENDITURE / USE** |
| Have you reviewed the company’s accounts for private income and expenditure made from business accounts?  |  |  |  |
| If the above is yes, has any private income or expenditure been identified and has this been adjusted for in the GST return? |  |  |  |
| Have any private assets been used for business purposes?  |  |  |  |
| Have you reviewed the company’s accounts for business expenses paid for from personal funds? |  |  |  |
| If the above is yes, have copies of all tax invoices been retained? |  |  |  |
| **CAPITAL OR ASSET ITEMS (AFTER 1 APRIL 2011)** |
| Have any business assets been acquired after 1 April 2011? |  |  |  |
| If the above is yes, has the actual use of the assets been reviewed for potential adjustments? Note that the adjustment is annual subject to the maximum number of adjustments (based on the value of the asset) and any final “wash up” adjustment.  |  |  |  |
| Has an initial adjustment been made in relation to any newly acquired assets based on a reasonable estimate of its expected use in the furtherance of a taxable activity? Note that there are exemptions that may relieve the need to apportion.  |  |  |  |
| **BARTERS** |
| Have any barter transaction taken place during the period? |  |  |  |
| If the above is yes, has the market value of the goods at the time of exchange been included in the GST return? Advise how this value was derived. |  |  |  |
| **Comments:**  |  |  |  |
| **BAD DEBTS** |
| Have you written off any bad debts during the year? |  |  |  |
| If the above is yes, have you previously included the sale in a GST return (note this does not apply to payments basis GST filers)?  |  |  |  |
| **BAD DEBTS** |
| If the above is yes, have you claimed a GST credit for the bad debt written off in the period? |  |  |  |
| Have any bad debts which have previously been written off, been recovered during the period? |  |  |  |
| If the above is yes, have the amounts recovered been adjusted in the GST return?  |  |  |  |
| **INSURANCE PAYMENTS** |
| Have you received any insurance payments during the period?  |  |  |  |
| If the above is yes, have the payments been included in the GST return covering the period the payment was received?  |  |  |  |
| **NEW ZEALAND CUSTOMS INVOICES** |
| Have you received any GST invoices from New Zealand Customs during the period? |  |  |  |
| If the above is yes, have these been included in the correct GST period?  |  |  |  |
| **HOME OFFICE EXPENSES** |
| Has part of a private residence been used as a home office during the period? |  |  |  |
| If the above is yes, have you considered all of the following expenditure in apportioning the home office expenditure for the purposes of calculating your GST input credit claim: |  |  |  |
| * Rates
 |  |  |  |
| * House Insurance
 |  |  |  |
| * Contents Insurance
 |  |  |  |
| * Interest on Mortgage
 |  |  |  |
| * Power
 |  |  |  |
| * Gas
 |  |  |  |
| * General Property Repairs and Maintenance
 |  |  |  |
| * Specific Office Repairs and Maintenance
 |  |  |  |
| **HOME OFFICE EXPENSES** |  |  |  |
| * Security
 |  |  |  |
| * Home Phone Line Rental
 |  |  |  |
| * Home Phone Business Toll Calls
 |  |  |  |
| Have you retained all invoices used in the apportionment calculation? |  |  |  |
| **Comments:** |

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| FRINGE BENEFIT TAX (FBT) | YES | NO | N/A |
| Are you registered for FBT?  |  |  |  |
| If the above is yes, have you reviewed the requirements to make GST adjustments in relation to private use of business assets? If so, have you excluded from the adjustment the following fringe benefits: |  |  |  |
| * Low interest loans
 |  |  |  |
| * Other Financial Services
 |  |  |  |
| * International Travel
 |  |  |  |
| * Contributions to Employee Superannuation and Life Insurance Policies
 |  |  |  |
| Have you noted the requirements to make an adjustment in your FBT return for the value of the GST adjustment?  |  |  |  |

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| ENTERTAINMENT | YES | NO | N/A |
| Have you reviewed the company’s entertainment expenditure for the period? |  |  |  |
| If the above is yes, did any expenditure require a 50% adjustment under subpart DD of the *Income Tax Act 2007*? If so, has the non-deductible component been adjusted in the GST return? Note the calculation of GST on non-deductible entertainment is: GST exclusive non-deductible amount x 15%. |  |  |  |

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| TELEPHONE EXPENSES | YES | NO | N/A |
| Do you have a business cell phone? |  |  |  |
| If the above is yes, is this also used for private purposes? |  |  |  |
| Have you reviewed the charges for any specific charges relates to your taxable activity? |  |  |  |
| Do the farming provisions apply to your taxable activity? |  |  |  |

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| --- | --- | --- | --- |
| EXEMPT SUPPLIES | YES | NO | N/A |
| Have you reviewed the supplies for the period for all of the below exempt supplies?  |  |  |  |
| * Financial Services (including interest income)
 |  |  |  |
| * Penalty Interest
 |  |  |  |
| * Supply of Fine Metals (such as gold, silver and platinum), other than zero rated supplies
 |  |  |  |
| * Renting a Residential Dwelling
 |  |  |  |

|  |  |  |  |
| --- | --- | --- | --- |
| ZERO RATED SUPPLIES | YES | NO | N/A |
| Have you reviewed the supplies for the period for all of the below zero-rated supplies?  |  |  |  |
| * Restraint of Trade Payments
 |  |  |  |
| * Exported Goods
 |  |  |  |
| * Duty Free Goods
 |  |  |  |
| * Internet Sales to Overseas Buyers
 |  |  |  |
| * Sale of a Going Concern
 |  |  |  |
| * Land Transactions
 |  |  |  |

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| --- | --- | --- | --- |
| SPECIAL SUPPLIES | YES | NO | N/A |
| Have you reviewed the supplies for the period for all of the below special supplies?  |  |  |  |
| * Commercial Accommodation
 |  |  |  |
| * Advance Payments
 |  |  |  |
| * Auctions
 |  |  |  |
| * Credit and Debit Notes
 |  |  |  |
| * Delayed Settlement Transactions
 |  |  |  |
| * Door to Door Sales
 |  |  |  |
| * Gaming Machines
 |  |  |  |
| * Grants and Subsidies
 |  |  |  |
| * Hire Purchase Agreements
 |  |  |  |
| * Insurance Payments
 |  |  |  |
| * Lay-by Sales
 |  |  |  |
| * Local Authority Rates
 |  |  |  |
| * Periodic Payments
 |  |  |  |
| * Cross Border Remote Services (i.e. services and intangibles supplied by non-residents to New Zealand resident consumers such as internet-related services, consulting, accounting and legal services)
 |  |  |  |
| * Repossessions
 |  |  |  |
| * Sale of Interest in a Taxable Activity
 |  |  |  |
| * Second Hand Goods from Registered Persons (note this may include land)
 |  |  |  |
| * Second Hand Goods from Unregistered Persons (note this may include land)
 |  |  |  |
| * Supply between Registered Associated Persons (note the definition of associated persons)
 |  |  |  |
| * Supply between Unregistered Associated Persons (note the definition of associated persons)
 |  |  |  |
| * Tenders
 |  |  |  |
| * Tokens, Stamps, and Vouchers
 |  |  |  |

|  |  |  |  |
| --- | --- | --- | --- |
| SUPPLIES IN CONNECTION WITH LAND | YES | NO | N/A |
| Have you supplied any services in relation to land situated in New Zealand to residents or non-residents (such as architectural services in relation to a particular site, intermediation in the sale or lease of land, risk assessment of land, or legal services relation to transactions involving the transfer of title to land)? If so, provide information below. |  |  |  |
| **Comments:** |

|  |  |  |  |
| --- | --- | --- | --- |
| MIXED USE ASSETS | YES | NO | N/A |
| Have you reviewed the GST credits claimed on expenses related to mixed use assets? |  |  |  |
| **Comments:** |

|  |
| --- |
| CLIENT DECLARATION |
| I confirm that the above is a true and complete record of all transactions for the year. |
|  |
|  Signature  |