

COMPARISON OF GST IMPACTS UNDER VARIOUS SCENARIOS

Appendix 2

1. CURRENT POSITION

FTO not registered for GST: Base Case

Sales prices have been equated for comparison purposes.

	THSP		Inbound Tour Operator					Foreign Tour Operator (not registered)					Total to ATO
	Price	GST payable to ATO	Input tax credits	Net cost	ITO Mark-up	Sale price	GST payable to ATO	Input tax credits	Net cost	FTO Mark-up	Sale price	GST payable to ATO	
Accommodation	\$ 110.00	\$ 10.00	-\$ 10.00	\$ 100.00	\$ 10.00	\$ 110.00	\$ 11.00	\$ -	\$ 121.00	\$ 12.10	\$ 133.10	\$ -	
Other	\$ 55.00	\$ 5.00	-\$ 5.00	\$ 50.00	\$ 5.00	\$ 55.00	\$ 5.50	\$ -	\$ 60.50	\$ 6.05	\$ 66.55	\$ -	
Total GST		\$ 15.00	-\$ 15.00				\$ 16.50	\$ -					\$ 16.50

Base Case of GST that should conceptually be collected by the ATO.

FTO registered for GST

	THSP		Inbound Tour Operator					Foreign Tour Operator (registered)					Total to ATO
	Price	GST payable to ATO	Input tax credits	Net cost	ITO Mark-up	Sale price	GST payable to ATO	Input tax credits	Net cost	FTO Mark-up	Sale price incl GST	GST payable to ATO	
Accommodation	\$ 110.00	\$ 10.00	-\$ 10.00	\$ 100.00	\$ 10.00	\$ 110.00	\$ 11.00	-\$ 11.00	\$ 110.00	\$ 23.10	\$ 133.10	\$ 12.10	
Other	\$ 55.00	\$ 5.00	-\$ 5.00	\$ 50.00	\$ 5.00	\$ 55.00	\$ 5.50	-\$ 5.50	\$ 55.00	\$ 11.55	\$ 66.55	\$ -	
Total GST		\$ 15.00	-\$ 15.00				\$ 16.50	-\$ 16.50				\$ 12.10	\$ 12.10
Net Revenue Leakage												\$ 4.40	

2. GOVERNMENT PROPOSED CHANGES: TAXABLE

Gain or loss of tax calculated by reference to the Base Case above.

	THSP		Inbound Tour Operator					Foreign Tour Operator (registered)					Total to ATO
	Price	GST payable to ATO	Input tax credits	Net cost	ITO Mark-up	Sale price	GST payable to ATO	Input tax credits	Net cost	FTO Mark-up	Sale price incl GST	GST payable to ATO	
Accommodation	\$ 110.00	\$ 10.00	-\$ 10.00	\$ 100.00	\$ 10.00	\$ 110.00	\$ 11.00	-\$ 11.00	\$ 110.00	\$ 11.00	\$ 133.10	\$ 12.10	
Other	\$ 55.00	\$ 5.00	-\$ 5.00	\$ 50.00	\$ 5.00	\$ 55.00	\$ 5.50	-\$ 5.50	\$ 55.00	\$ 5.50	\$ 66.55	\$ 6.05	
Total GST		\$ 15.00	-\$ 15.00				\$ 16.50	-\$ 16.50				\$ 18.15	\$ 18.15
Net Revenue Leakage/ (gain)												-\$ 1.65	

3. QTIC PROPOSAL: INPUT TAXED

Sales using ITO

	THSP		Inbound Tour Operator					Foreign Tour Operator (registered or not registered)					Total to ATO
	Price	GST payable to ATO	Input tax credits	Net cost	ITO Mark-up	Sale price	GST payable to ATO	Input tax credits	Net cost	FTO Mark-up	Sale price	GST payable to ATO	
Accommodation	\$ 110.00	\$ 10.00	-\$ 10.00	\$ 100.00	\$ 10.00	\$ 110.00	\$ 11.00	\$ -	\$ 121.00	\$ 12.10	\$ 133.10	\$ -	
Other	\$ 55.00	\$ 5.00	-\$ 5.00	\$ 50.00	\$ 5.00	\$ 55.00	\$ 5.50	\$ -	\$ 60.50	\$ 6.05	\$ 66.55	\$ -	
Total GST		\$ 15.00	-\$ 15.00				\$ 16.50	\$ -				\$ -	\$ 16.50
Net Revenue Leakage/ (gain)												\$ -	

Sales direct to FTO

	THSP		Foreign Tour Operator (registered or not registered)					Total to ATO
	Price	GST payable to ATO	Input tax credits	Net cost	FTO Mark-up	Sale price	GST payable to ATO	
Accommodation	\$ 121.00	\$ 11.00	\$ -	\$ 121.00	\$ 12.10	\$ 133.10	\$ -	
Other	\$ 60.50	\$ 5.50	\$ -	\$ 60.50	\$ 6.05	\$ 66.55	\$ -	
Total GST		\$ 16.50	\$ -				\$ -	\$ 16.50
Net Revenue Leakage/ (gain)							\$ -	