BACKGROUND
Under Australian GST Law, every club, society or association is required to determine its own GST status.

If the annual income of a club, society or association, is below a certain threshold, it does not need to register for GST but may be required to apply for an Australian Business Number (ABN).

If the annual income of a club, society or association is above a certain threshold, it must register for GST, prepare regular Business Activity Statements (BAS) and apply for an ABN.

INSTRUCTIONS
This form will assist you to determine the GST status of your club, society or association.

Your club, society or association is required to complete and submit this form to the Clubs & Societies Committee annually with your AGM reporting. The form does not need to be submitted to the tax office (although additional forms may be required to be lodged with the tax office as a result of this review).

WHAT YOU WILL NEED TO COMPLETE THIS FORM
- Details of your club’s finances

1. Name of the Club: _______________________________________________________

2. ABN (if applicable): ___________________________________________________

3. Date of Review: _______/_______/_______

4. What is the projected annual turnover of your club, society or association? $__________________________

Review Section 1 on Page 2 of this document to determine how to calculate the projected annual turnover of your club.

5. Is the projected turnover from question 4 more than $150,000 for the next twelve months?

   YES  NO

6a. You must apply for an ABN.
Refer to Page 3 for how to do this.

6b. You must register for GST.
Refer to Page 3 for how to do this

6c. You must commence accounting for GST.
Refer to Page 3 for how to do this

ABN & GST REGISTRATION REQUIRED

7a. Read section 2 on page 2 of this document to determine whether the club needs an ABN.

7b. Does the club need an ABN?

   YES  NO

ABN REGISTRATION REQUIRED
(Refer Page 3)

NO ACTION REQUIRED

We have applied for an ABN.
We have registered for GST.
We understand our obligations.

Name of Officer(s) conducting review__________________________________________ Position held____________________

Signature_______________________________________________________ Date_________________________

Office Use Only: Review by UMSU Clubs & Societies Committee
Reviewed By:__________________________ Date:__________________________
Compulsory Registration
A non-profit organisation such as a club, society or association must register for the GST system if it’s projected annual income, known as “turnover”, for the following twelve months is more than $150,000.

Although it may be difficult to estimate projected turnover, using the turnover for the previous twelve months will be a good indicator, adjusted for any events or activities you know will or won’t occur during the following twelve months.

Turnover includes only gross income and is included whether the income is from members or not. It is not adjusted for any expenses. For example, turnover in relation to a dinner includes only the income received from ticket sales. It is not the profit made on that dinner.

Examples of what will be included in your turnover include:
- Membership Payments
- Receipts from ticket sales for events (e.g. dinners, balls, parties, talks, workshops)
- Receipts from fundraising activities (e.g. sausage sizzles)
- Receipts from food, clothing or drink sales
- Gifts, sponsorships or grants where the organisation providing the funds has the ability to use the funds as a means of advertising or has the right to tell you what the funds should be spent on
- Grants from UMSU or the University where the grant represents a reimbursement of a specific expense

Examples of what is NOT included in turnover include:
- Gifts or Sponsorships where there is no reciprocal naming, marketing or advertising rights and when the club can spend the funds in whatever manner it wishes
- Bank Account Interest
- Grants from UMSU which are not for reimbursement of expenses or to cover a specific coming expense

Non Compulsory Registration
An organisation may register voluntarily for the GST system if their projected annual income is less than $150,000 although the instances where the benefits of this outweigh the administration required will be minimal.

If you would like further information regarding the calculation of your club’s turnover, please refer to the GST section of the Non-Profit Organisations Page of the Australian Taxation Office website (www.ato.gov.au)

PAGE 2 - SECTION 2 - DO YOU NEED AN ABN?

Why might my club need an ABN?
Even if you do not need to be registered for GST, you may still need an ABN if your club sells a product or a service to another organisation or business. If you do not provide an ABN, the other business must withhold 46.5% tax when they pay you.

For example, if your club supplies any goods or services to the university or another business for which your club issues an invoice and receives payment, you should apply for an ABN.

Having an ABN does not, of itself, impose any specific reporting or other obligations for the club.

If you would like further information regarding the requirement to apply for an ABN, search for “Who is entitled to an ABN” on the Australian Taxation Office website (www.ato.gov.au)
WE NEED TO REGISTER FOR GST - WHAT DOES THIS MEAN FOR OUR CLUB?
Once you have registered for GST, you must commence:
- Charging GST on any of your income activities that are taxable;
- Issuing “Tax Invoices” in relation to your income activities;
- Obtaining “Tax Invoices” for expenses relating to your club;
- Developing a record keeping system that assists you to keep track of the GST received and paid;
- Preparing a Business Activity Statement on a Quarterly basis, lodging this with the tax office and either paying GST or receiving a GST refund.

Charging GST
You must include GST in the price you charge for your memberships, event ticket prices & other income activities.

Some items are considered GST Free and you do not need to charge GST on these items although it is unlikely these items would be part of the operation of your club. One exception may be basic food (such as fruit, bread, meat, milk etc) although any food item which is processed or cooked before sale is not GST Free. For example, bread and sausages are GST Free but when cooked and supplied together in a sausage sizzle, are NOT GST Free.

The club would also be required to pay GST on any reimbursements received from UMSU.

Tax Invoices
A Tax Invoice is a special type of invoice that only GST Registered organisations can prepare. A Tax Invoice must include:
- the words “Tax Invoice”
- your club’s name and ABN
- date of issue
- a brief description of the thing sold
- the GST inclusive total price and the GST amount.

You do not need to supply a Tax Invoice for sales less than $82.50 (including GST) unless your customer asks for one. If an invoice is for more than $1,000 you must also show the name of the buyer and either their ABN or address.

Claiming GST Credits
Your club is entitled to claim a GST credit for any GST that is included on Tax Invoices you obtain for expenses and purchases required in the running of your club.

Business Activity Statement
Every quarter your club must complete a Business Activity Statement which advises the tax office of the GST you charged on your income and the GST you paid on your expenses. The difference must then be either paid by the club to the tax office or will be refunded to the club by the tax office.

For more information, you may refer to the Australian Taxation Office website (www.ato.gov.au) and search for “GST for Small Business” which is a fact sheet for small business and non-profit organisations.