# *GSTD 2006/2W - Goods and services tax: does an Australian entity make a taxable supply when it supplies repair services under a warranty given by a non-resident manufacturer?*

This cover sheet is provided for information only. It does not form part of *GSTD 2006/2W - Goods and services tax: does an Australian entity make a taxable supply when it supplies repair services under a warranty given by a non-resident manufacturer?*

This document has changed over time. This is a consolidated version of the ruling which was published on *25 January 2017*

# Notice of Withdrawal

## Goods and Services Tax Determination

## Goods and services tax: does an Australian entity make a taxable supply when it supplies repair services under a warranty given by a non-resident manufacturer?

Goods and Services Tax Determination GSTD 2006/2 is withdrawn with effect from today.

1. GSTD 2006/2 states that a GST registered entity does not make a GST-free supply when it supplies repair services to a non-resident under a warranty given by a non-resident manufacturer:

- who is not in Australia when the repairs are done
- who acquires the repair services in carrying on its enterprise, but who is not registered or required to be registered, and
- the supply is provided, or is required to be provided under an agreement between the supplier and the non-resident manufacturer, to another entity in the indirect tax zone (ITZ).

2. This Determination is being withdrawn because section 3 and item 20 in Part 2 of Schedule 2 to the *Tax and Superannuation Laws Amendment (2016 Measures No. 1) Act 2016* inserts section 38-191 into the GST Act. Section 38-191 of the GST Act applies in relation to working out net amounts for tax periods starting on or after 1 October 2016, subject to a transitional rule.[1] The amendments ensure that a supply of a repair, renovation, modification or treatment of goods is GST-free if it is made to a non-resident that is not in the ITZ, therefore, GSTD 2006/2 no longer applies.

**Commissioner of Taxation**
25 January 2017

[1] Item 27 in Part 5 of Schedule 2 to the *Tax and Superannuation Laws Amendment (2016 Measures No. 1) Act 2016.*

ATO references
NO: 1-8076K41
ISSN: 2205-6254

**© AUSTRALIAN TAXATION OFFICE FOR THE COMMONWEALTH OF AUSTRALIA**

You are free to copy, adapt, modify, transmit and distribute this material as you wish (but not in any way that suggests the ATO or the Commonwealth endorses you or any of your services or products).