


ST 2209 - SALES TAX : NAIL-SAFE

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This document has been Withdrawn.

There is a Withdrawal notice for this document.

TAXATION RULING NO. ST 2209

SALES TAX : NAIL-SAFE

F.O.I. EMBARGO: May be released

REF

*** NOTE: THIS RULING HAS BEEN MODIFIED BY ST 2302

H.O. REF: 85/7288-7 DATE OF EFFECT: Immediate

B.O. REF: Brisbane - K551 DATE ORIG. MEMO ISSUED:

F.O.I. INDEX DETAIL

REFERENCE NO:	SUBJECT REFS:	LEGISLAT. REFS:
I 1205764	NAIL-SAFE HAND TOOLS	SALES TAX (EXEMPTIONS AND CLASSIFICATIONS) ACT; ITEM 113G, FIRST SCHEDULE, ITEM 5, THIRD SCHEDULE.

PREAMBLE

"Nail-Safe" is a plastic device 95mm in length with a U-shaped finger or thumb attachment at one end connected by a pivot to a sprung split clip. The purpose of the device is to protect a person from injury to the thumb or fingers in the course of fixing nails or screws. The device enables nails or screws to be held in the sprung clip during fixing at a safe margin from the thumb and fingers.

2. Sales tax classification of "Nail-Safe" has been considered with reference to sub-item 113G(1) in the First Schedule to the Sales Tax (Exemptions and Classifications) Act and sub-item 5(1) in the Third Schedule.

3. Sub-item 113G(1), First Schedule, exempts from sales tax equipment of a kind used exclusively, or primarily and principally, in the course of industrial operations to protect persons engaged in those operations.

4. Sub-item 5(1), Third Schedule covers hand tools of the kinds used for industrial purposes, subject to certain exclusions. Goods covered by an item or sub-item in the Third Schedule are taxable at the rate of 10%.

RULING

5. While the device acts to protect persons it is not equipment of a kind used exclusively or primarily and principally in the course of industrial operations. The "Nail-Safe" therefore does not qualify for exemption under sub-item 113G(1), First Schedule.

6. The device is a hand tool and although not used exclusively or primarily and principally for industrial purposes it is accepted that there is sufficient industrial use to say that it is of a kind used for such purposes. Accordingly, "Nail-Safe" is taxable at the rate of 10% under sub-item 5(1), Third Schedule.

COMMISSIONER OF TAXATION

6 January 1986

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