



# ***Are denture repairs or relines GST-free? -***

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## Health Industry Partnership

### Are denture repairs or relines GST-free?

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This publication (excluding appendixes) is a public ruling for the purposes of the *Taxation Administration Act 1953*.

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If you rely on this ruling, the Commissioner must apply the law to you in the way set out in the ruling (unless the Commissioner is satisfied that the ruling is incorrect and disadvantages you, in which case the law may be applied to you in a way that is more favourable for you – provided the Commissioner is not prevented from doing so by a time limit imposed by the law). You will be protected from having to pay any underpaid tax, penalty or interest in respect of the matters covered by this ruling if it turns out that it does not correctly state how the relevant provision applies to you.

### Are denture repairs or relines GST-free?

1. This question focuses on the application of sections 38-10(1) and 38-45. The issue of the GST status for denture repairs and relines is relevant to:

- supplies by a dental practitioner or dental prosthetist to a patient; and
- supplies by a dental lab to a dental practitioner.

#### ***Dental services***

2. For a supply to be GST-free under section 38-10(1), the supply must be:

- the supply of a listed service ('dental' is a listed service)
- made by a recognised professional in that profession (this will include both dentists and dental prosthetists to the extent that they are permitted to provide dental services to patients under state or territory law)
- made to the patient and not to a third party, and
- generally accepted in that profession as being necessary for the appropriate treatment of that patient.

#### ***Medical aids and appliances***

3. For a supply to be GST-free under section 38-45(1):

- the supply must be specifically listed in Schedule 3 of the GST Act or in the regulations
- the listed supply must be specifically designed for people with an illness or disability, and
- the supply must be not widely used by people without illness or disability.

***Spare parts for GST-free medical aids and appliances***

4. A supply will be GST-free under section 38-45(2) where the supply is the supply of a spare part that is specifically designed as a spare part for a medical aid or appliance that is GST-free under section 38-45(1).

***Repairs to GST-free medical aids and appliances (which may include the supply of spare parts)***

5. Where specifically designed spare parts (for example artificial teeth and clasps) are supplied in one transaction which also includes labour/service components (such as the installation of the specifically designed spare parts), the GST treatment of the transaction will depend on how the supply is characterised.

6. The characterisation will depend on the circumstances of each transaction and reference should be made to public ruling GSTR 2001/8 This ruling explains how you apportion the consideration for a supply that includes taxable and non-taxable parts and also when apportionment is not required.

***Denture Relines******Supplies by a dental lab to a dental practitioner***

7. The supply of a denture reline by a dental lab to a dental practitioner is not GST-free under either section 38-10(1) or section 38-45. As the supply is to a dental practitioner and not to a patient, all the necessary requirements of section 38-10(1) have not been satisfied. Section 38-45 does not apply because the supply of a denture reline does not involve supplying a listed item nor does it involve supplying 'spare parts'.

***Supplies by a dental practitioner or dental prosthetist to a patient***

8. A denture reline supplied by a recognised professional dental practitioner or dental prosthetist to a patient is appropriate treatment of that patient and is GST-free under section 38-10(1).

***Denture Modifications******Supplies by a dental lab to a dental practitioner***

9. The supply of a denture modification by a dental lab to a dental practitioner is not GST-free under section 38-10(1). As the supply is to a dental practitioner and not to a patient, all the necessary requirements of section 38-10(1) have not been satisfied.

10. Section 38-45 does not apply because the supply of a denture modification does not involve supplying a listed item. In some cases, it may involve the supply of a spare part and this will be GST-free where the requirements in relation to supplying spare parts are satisfied. The requirements are detailed above in 'repairs to GST-free medical aids and appliances (which may include the supply of spare parts)'.

*Supplies by a dental practitioner or dental prosthetist to a patient*

11. A 'denture repair' undertaken for the changing condition of the patient is appropriate treatment of that patient and is GST-free under section 38-10(1) where supplied by a dental practitioner or dental prosthetist to a patient. The 'changing condition of the patient' will include situations such as:

- an addition to the denture where the patient has had a tooth extracted, or
- a modification or adjustment to a denture due to a change in the shape or structure of a patient's mouth, palate, gums or jaw.

***Denture Restorations****Supplies by a dental lab to a dental practitioner*

12. The supply of a denture restoration by a dental lab to a dental practitioner is not GST-free under section 38-10(1). As the supply is to a dental practitioner and not to a patient, all the necessary requirements of section 38-10(1) have not been satisfied.

13. Section 38-45 does not apply because the supply of a denture restoration does not involve supplying a listed item. In some cases, it may involve the supply of a spare part and this will be GST-free where the requirements in relation to supplying spare parts are satisfied. The requirements are detailed above in 'repairs to GST-free medical aids and appliances (which may include the supply of spare parts)'.

*Supplies by a dental practitioner or dental prosthetist to a patient*

14. The supply by a dental practitioner or dental prosthetist to a patient of restoring a denture is not GST-free under section 38-10(1) as the restoration is not treatment.

15. Section 38-45 does not apply because the supply of a denture restoration does not involve supplying a listed item. In some cases, it may involve the supply of a spare part and this will be GST-free where the requirements in relation to supplying spare parts are satisfied. The requirements are detailed above in 'repairs to GST-free medical aids and appliances (which may include the supply of spare parts)'.

16. The supply of clinical services by a recognised professional dental practitioner or dental prosthetist to a patient to determine that a repair or reline is required and a service to ensure that the denture fits correctly is appropriate treatment of that patient and is GST-free under section 38-10(1).

17. This reconsidered position in relation to denture repairs and relines was made on 15 October 2001 and replaces all alternative advice made prior to this date.