

Is the service of a hypnotherapist GST-free? -

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Health Industry Partnership

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Is the service of a hypnotherapist GST-free?

1. This question focuses on the requirement of 'services of a kind' in relation to those services listed in section 38-10(1)(a) and the definition of *recognised professional.

Services of a kind

2. Hypnotherapy is not a service of a kind specified in the Table for section 38-10(1)(a). However, hypnotherapy may be considered to be a technique of one or more of the services listed in that Table.

3. If the hypnotherapy is supplied by a recognised professional in relation to one of the listed services in the Table (for example a psychologist), and it is generally accepted in that profession as being necessary for the appropriate treatment of the recipient of the supply then it will be GST-free.

Recognised professional

4. Paragraph (a) of the definition of '*recognised professional' in section 195-1 provides that a person is a recognised professional in relation to the supply of the service of a kind specified in the Table if the service is supplied in a state or territory in which the person has a permission or approval, or is registered, under a state law or a territory law prohibiting the supply of services of that kind without such permission, approval or registration. It is considered that 'prohibiting' includes a law which does not allow a person to hold themselves out as a provider of certain services as governed by that relevant law.

5. Hypnotherapy, or the use of hypnosis, is restricted under some state acts dealing with 'Psychology' (Item 16 of the Table) and a practitioner must be registered under that state act. However, registration for the provision of hypnosis will not entitle that person to hold themselves out as a practitioner of psychology. Accordingly, registration for hypnosis under a state act will not, by itself, satisfy the requirements that the supply is of psychology or that the person is a recognised professional for the supply of psychology.