


# ***ST 2198W - Notice of Withdrawal - Sales tax: solar panels***

 This cover sheet is provided for information only. It does not form part of *ST 2198W - Notice of Withdrawal - Sales tax: solar panels*



# Notice of Withdrawal

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## Sales Tax Ruling

### Sales tax: solar panels

Sales Tax Ruling ST 2198 is withdrawn with effect from today.

1. Sales Tax Ruling ST 2198 explains that solar panels or collectors are exempt from sales tax under subitem 153(1) of the First Schedule to the (*Sales Tax Exemptions and Classifications*) Act 1935. Where a hot water system incorporates a solar collector as part of a single unit, section 6AB of the *Sales Tax (Exemptions and Classifications) Act 1935* provides that only the solar panel portion of the hot water system is exempt under subitem 153(1) and the remainder of the system is taxable. If the solar collector is not incorporated into the hot water system but they are sold together for one inclusive price, subsection 3(5) of *Sales Tax Assessment Act (No. 1) 1930* operates to ensure that tax is collected only on the taxable goods (the hot water storage unit) and not on the solar collector.
2. The goods and services tax came into effect from 1 July 2000. Sales tax ceased to apply to transactions from that date.
3. This Ruling is no longer current and does not apply to transactions occurring on or after 1 July 2000.

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**Commissioner of Taxation**

28 March 2007

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#### ATO references

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