

The GST and you...



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Many of our members have contacted us over the past twelve months about the impact of the new goods and services tax (GST) on libraries. Members will be pleased, therefore, that ALIA is in contact with the Australian Tax Office (ATO) Tax Reform Business Education and Communication to help organise the ATO information and education program for our sector. The ATO, in turn, has been appreciative of our grasp of the legislation and the preparation we have done so far.

This preparation includes early analysis of how the new legislation would affect the library and information sector, and, more importantly, the different types of library which make up the sector.

As we have said in our submissions to government and the senate committee investigating the new tax system, and in our analysis on our website, different kinds of library and different operations within a library will be affected in different ways. The major differences will be between library operations which are free and charged for, and libraries in the profit and non-profit or public sector.

The ATO has informed us of the key dates for the implementation of *The New Tax System* and the related education program.

The first major activity which libraries and their parent organisations will need to prepare for is the commencement of business registration for *The New Tax System*, which starts on 1 November 1999. Registration kits will be mailed out. Many libraries will fall below the income levels for compulsory registration, but the wording of the legislation implies that registration is necessary

to participate in the system and take advantage of the tax claimback mechanisms.

The Treasurer, Peter Costello, announced, on 21 July 1999, the creation of The New Tax System Advisory Board to advise the government on what help business and community sectors will need in making the transitions to the new system. The ATO will work closely with the Board.

A booklet outlining major elements of the GST system will be mailed to Australian businesses in August, followed by a number of publications targeted at industry sectors in September. Seminars on the basics of the GST will be held in September and October and, where possible, will be organised in conjunction with arts or cultural groups. We have asked the ATO to investigate making a video of the seminar available so that we may lend it out to our members in those areas where seminars will not be run.

ALIA is preparing a series of scenarios to cover the major library groups, for example, public, educational, corporate, government libraries, with a request for clarification of which library activities will require a GST to be applied and which will not attract the ability to claim back the tax. (Members should now be aware that even if they operate in non-profit institutions and in free-of-charge operations, the GST is payable up front. For clarification, see the article, *The bubbles, the salad and the cooked chook* on our website under membership briefs)

The demand from industry for industry-specific seminars has overwhelmed the ATO and it is unlikely that seminars for our section be possible before the end of the year. To push our cause we have alerted the ATO to the wonderful opportunity the Public Libraries National Conference in Perth in November would present for running a library industry seminar and are pursuing this with the ATO and the Conference Committee.

Some useful information lines are: Business Tax Reform Infoline on 13 24 78; General Public Tax Reform Infoline 13 61 40; Diesel Fuel Infoline (regarding your mobile library?) 1300 657 162, or you can write to the ATO at PO Box 9935 in your capital city or e-mail gstmail@ato.gov.au.

Their website [<http://taxreform.ato.gov.au>] includes the interim guide to the GST and information on issues like the GST and contracts which span or begin on or after 1 July 2000.

Please contact our research officer, Colette Ormonde if you would like to discuss any GST issues or have information which may be of interest to others. ■

Stop press

Joint winners of the ALIA Manager of the Year award announced

Susan McKnight and Janine Schmidt are joint winners of the 1999 ALIA Manager of the Year award. Susan McKnight is university librarian at the Deakin University and manages library services for 62 500 students and academic staff living in five continents. Janine Schmidt is the university librarian at the University of Queensland. Among other projects Janine is responsible for the University of Queensland Cybrary project.