



Australian Government

The Treasury

CHANGES TO DOMESTIC AGENCY PROVISIONS

SUMMARY OF CONSULTATION PROCESS

The Government announced on 12 May 2009 that it would expand the domestic agency provisions to include representatives that operate in a similar way to common law agents, such as invoicing and commission agents and consider simplification of the underlying principles.

This measure was included in Tax Laws Amendment (2009 GST Administration Measures) Bill 2009, which was introduced into Parliament on 25 November 2009.

Consultation process

Consultation on the draft legislation was conducted between 6 October 2009 and 27 October 2009. [Four public submissions](#) were received on the measure.

Summary of key issues

Submissions received supported the measure. The following issues were raised.

The legislation should clarify the meaning of 'facilitate' to ensure that it applies to billing and paying agents. The legislation was redrafted to clarify that it applies to such agents.

Submissions suggested that the measure should be expanded so that Subdivision 153-A of the GST Act applies to 'intermediaries' to enable billing and paying agents and others to issue tax invoices but not have to account for the GST themselves. The Government is considering simplification of the underlying agency principles and this matter will be considered in this context.

One submission suggested that intermediaries for non-resident entities should be able to use the Division 57 'non-resident agency' provisions. This is being considered as part of the Board of Taxation's GST cross-border transactions review.

Feedback

Feedback on the consultation process for this measure can be forwarded to consultation@treasury.gov.au. Alternatively, you can contact Phil Bignell on (02) 6363 4372.

Thank you to all participants in the consultation process.