



07 August 2018

The Manager
Indirect Taxes and Not-for-profit Unit
Commonwealth Treasury
Langton Crescent,
PARKES ACT 2600

Via Email

To whom it may concern,

Thank you for providing the opportunity to comment on the "GST on Offshore Hotel Bookings Exposure Draft". AFTA is supportive of the important principle of neutrality in the application of GST as it provides for businesses to compete without unfair legislative advantage.

AFTA understands that the Exposure Draft specifically removes an exemption that allows offshore sellers of accommodation to not count sales of hotel bookings in Australia towards their \$75,000 GST turnover threshold. AFTA also understands that the new measures will apply to sales made on or after 1 July 2019 and is estimated raise an additional \$15 million over the forward estimates which will be distributed to states and territories.

AFTA notes that the Exposure Draft does not change the current arrangements as prescribed under Paragraph 38 – 360(a,b) A New Tax System (Goods and Services Tax) Act 1999. As a result, AFTA is supportive of the proposed Exposure Draft as presented by the Commonwealth Treasury and does not recommend any additional changes.

Should a member of the Treasury wish to discuss this further can they please contact AFTA's Head of Public Policy and Strategic Partnerships, Mr Dean Long via email dean.long@afta.com.au or phone 02 9287 9911.

Kind Regards

Jayson Westbury
Chief Executive