

# Livestock Office – Exempt GST

---

10/08/2021

## Contents

Exempt GST .....	2
Client .....	2
Creditor .....	4
Debtor .....	5
Analysis Code .....	6
GST Exempt Status Summary.....	7

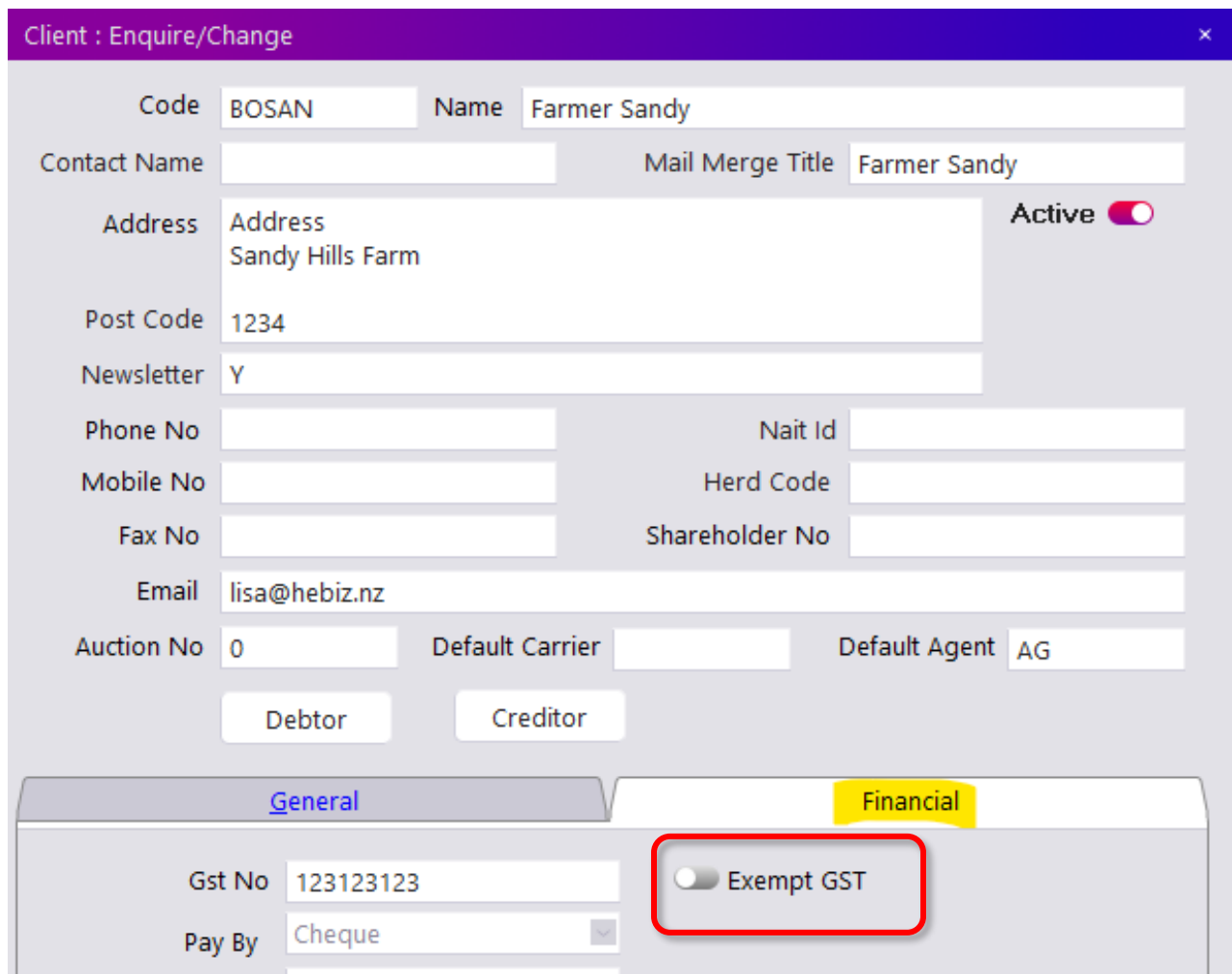
## Exempt GST

Exempt GST flags can be set in various places within the system to cater for International sales, GST unregistered clients and GST exempt income and expenses.

## Client

The Exempt GST option is located on the financial tab of the Client screen:

Livestock Office main menu > People > Clients



The screenshot shows the 'Client : Enquire/Change' window. The 'General' tab is selected, and the 'Financial' sub-tab is active. The 'Exempt GST' toggle is highlighted with a red box. The form contains the following fields:

Code	BOSAN	Name	Farmer Sandy
Contact Name		Mail Merge Title	Farmer Sandy
Address	Address Sandy Hills Farm		Active <input checked="" type="checkbox"/>
Post Code	1234		
Newsletter	Y		
Phone No		Nait Id	
Mobile No		Herd Code	
Fax No		Shareholder No	
Email	lisa@hebiz.nz		
Auction No	0	Default Carrier	
		Default Agent	AG
	Debtor		Creditor
Gst No	123123123	<input type="checkbox"/> Exempt GST	
Pay By	Cheque		

Figure 1: Client Screen

This option is useful for vendors who are New Zealand residents but are not GST Registered.

Adding a set here, whilst leaving the Debtor and Creditor records unset, results in:

Use of Client	Description
Vendor on a Sale	<ul style="list-style-type: none"> <li>The Buyer Generated Invoice will <u>not</u> include GST on <b>Vendor Sale</b> lines.</li> <li>GST will be charged on any costs including <b>Commission, Freight, Meat Board Levy, Rebate</b> (via the Rebates tab), <b>Yard dues, Droving and Vendor Purchaser Dues</b>.</li> <li>GST will be charged on any <b>Miscellaneous Charges</b> unless the Misc Analysis Code used is marked as <b>No Gst</b>.</li> </ul>
Creditor on an Invoice entered via <b>Creditors &gt; Creditor Invoices</b>	The Creditor Split lines will default to <b>Exempt Gst</b> set when opened. This can be overwritten on a line by line basis as required.

Eg: Creditor Split entry screen:

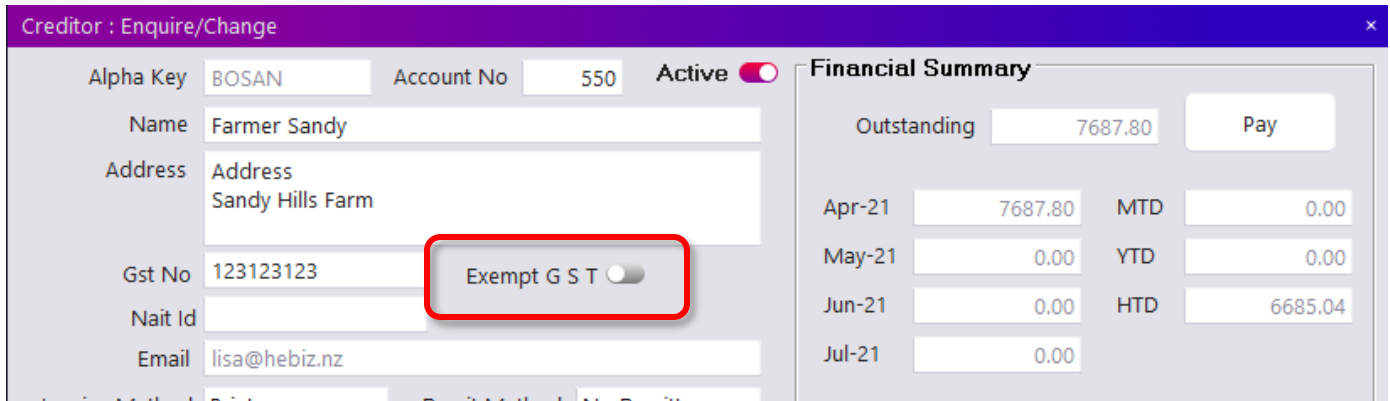
Analysis code	Description	Nett	Gst	Gross
1230.4440	18 MTH CATTLE Tally 3 @ \$500.00/Hd	1500.00	0.00	1500.00
Livestock Purchases				Exempt Gst <input checked="" type="checkbox"/>
<input type="button" value="Save &amp; Exit"/> <input type="button" value="Next"/> <input type="button" value="Delete"/> <input type="button" value="Exit"/>				

*Creditor Split screen*

*Note: This Exempt Gst flag can be set during entry of any Creditor Split on any manually entered Creditor Invoice to remove the Gst for that line.*

## Creditor

Open **Creditors > Creditors** or click the **Creditor** button from the **Client** screen:  
The **Exempt GST** option is located in the first section of the **Creditor** screen:



The screenshot shows the 'Creditor : Enquire/Change' window. On the left, there are fields for Alpha Key (BOSAN), Account No (550), Name (Farmer Sandy), Address (Sandy Hills Farm), Gst No (123123123), Nait Id, and Email (lisa@hebiz.nz). The 'Active' toggle is turned on. On the right, the 'Financial Summary' section shows an Outstanding balance of 7687.80 and a 'Pay' button. Below this, a table shows monthly and yearly totals for April, May, June, and July 2021.

Month	Balance	Category	Balance
Apr-21	7687.80	MTD	0.00
May-21	0.00	YTD	0.00
Jun-21	0.00	HTD	6685.04
Jul-21	0.00		

*Creditors screen*

This option is useful for International vendors and creditors who are NOT New Zealand residents.

Use of Creditor	Description
Vendor on a Sale	No GST at all will be included on the Buyer Generated Invoice.
Creditor on an Invoice entered via <b>Creditors &gt; Creditor Invoices</b>	No GST will be included on any Creditor Invoice.

**Note:**

- Adding a set here will override any setting on the **Client** record.  
The system checks the creditor record first, and only checks the Client record if the Creditor is not set.

## Debtor

Open **Debtors > Debtors** or click the **Debtor** button from the **Client** screen:  
The **Exempt GST** option is located in the first section of the **Debtor** screen:

Debtor : Enquire/Change

Alpha Key	BOSAN	Account No	370	Active	<input checked="" type="checkbox"/>
Name	Farmer Sandy				
Address	Address Sandy Hills Farm				
Nait Id	<input type="text"/>				
Email	lisa@hebiz.nz				
Invoice Method	Print			No Interest	<input type="checkbox"/>
Statement Method	Print			<b>Exempt G S T</b>	<input type="checkbox"/>

**Financial Summary**

Outstanding	0.52	Receipt	
Apr-21	0.52	MTD	0.00
May-21	0.00	YTD	0.00
Jun-21	0.00	HTD	0.00
Jul-21	0.00		
Last Invoice		26/05/2019	
Last Receipt Amt		631.98	

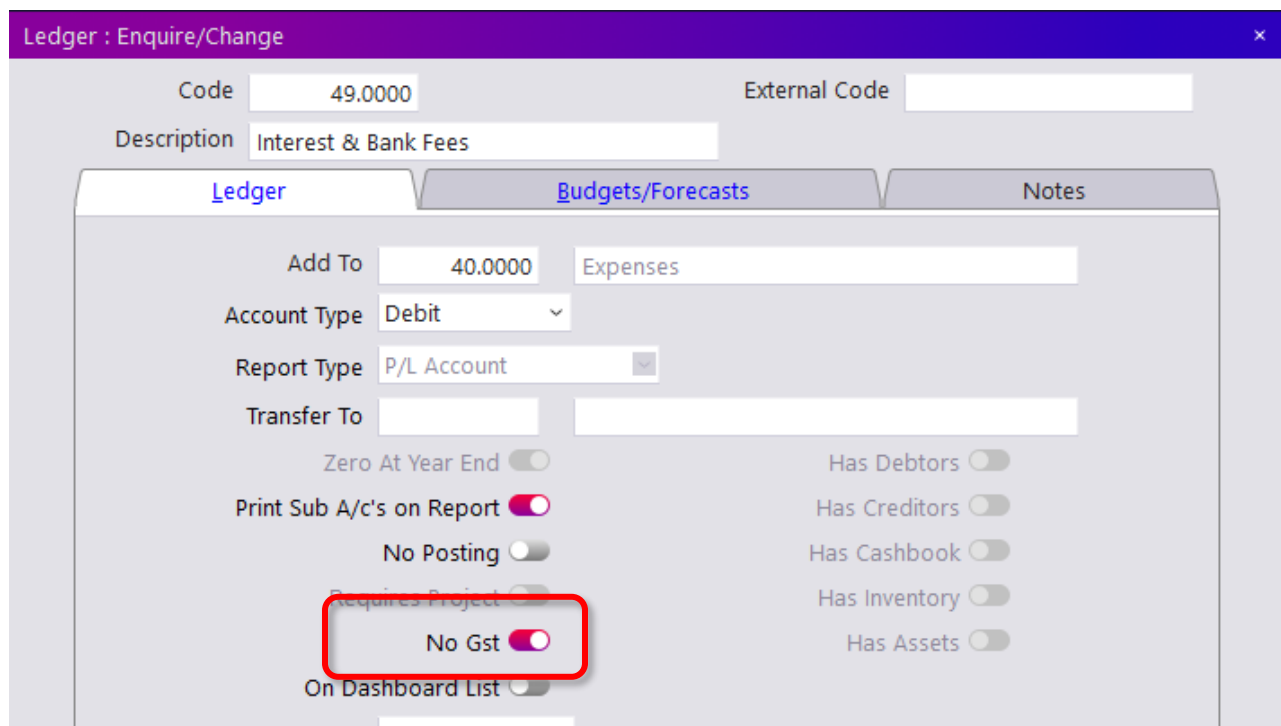
Direct Debit Details  
*Debtors screen*

This option is useful for International purchasers and debtors who are NOT New Zealand residents.

Use of Debtor	Description
Purchaser on a Sale	No GST at all will be included on the Tax Invoice.
Debtor on an Invoice entered via <b>Debtors &gt; Debtor Invoices</b>	No GST will be included on any Debtor Invoice.

## Analysis Code

Open **Ledger** > **Analysis Codes** and double click the desired code.  
The **No GST** option is located on the **Ledger** tab:



*Analysis Code screen*

This option is useful for Income or Expenses that do attract GST.  
The effect of adding a set here is:

Use of GL Code	Description
The <b>Vendor</b> or <b>Purchaser Analysis</b> on a <b>Pen Category</b>	GST on any sale transactions using the Pen Category will be calculated at 0.00.
The <b>Misc Analysis</b> on a <b>Vendor</b> or <b>Purchaser</b> of a <b>Sale</b>	The GST on any Miscellaneous Charges will be calculated at 0.00.
The <b>Analysis Code</b> of a split on a <b>Creditor</b> or <b>Debtor Invoice</b>	The GST for the split will be calculated at 0.00. This cannot be overwritten.
The <b>Analysis Code</b> of a line on a <b>Cashbook Other</b> transaction	The GST for the line will be calculated at 0.00. This cannot be overwritten.

## GST Exempt Status Summary

### Client GST Exempt Status.

- This is used as the default settings for the Creditor and Debtor records when a client is first created.
- Changes to the setting after the client has been created do not affect the GST Exempt status of the Creditor and/or Debtor records
- If the Creditor record is NOT GST Exempt, and the Client record IS GST Exempt, then when the client record is used as a Vendor on a sale the Buyer Generated Invoice will not include any GST for the sale lines, but will include GST for any costs incurred by the vendor, eg Miscellaneous charges and commission (assuming the GL codes for these costs include GST).

### Creditor GST Exempt Status.

- The Buyer Generated Invoice will show NO GST for any items.
- This setting overrides the Client setting, therefore there will be NO GST charged on costs such as commission etc.
- Has no effect on the GST calculations if the client is a Purchaser (Debtor) on a sale.

### Debtor GST Exempt Status.

- When the client is used as a Purchaser on a sale, if their Debtor record has GST Exempt set, NO GST will show for any lines on the Tax Invoice.
- Has no effect on the GST calculations if the client is a Vendor (Creditor) on a sale.

Here is a summary:

<b>GST Exempt Set on</b>	<b>Client is the Vendor (Cr): GST</b>	<b>Client is the Purchaser (Db): GST</b>
Cr only	0.00	Full GST charged
Db only	Full GST charged	0.00
Client only	GST only on costs	Full
Client + Cr	0.00	Full
Client + Db	GST only on costs	0.00
Cr + Db	0.00	0.00
Client + Cr + Db	0.00	0.00

### Note:

- *Clearing Sales have an option to do a GST Inclusive Sale*
- *To have a GST inclusive sale on a different sale type, the Pen Categories used in the sale need to be linked to GL codes that have No GST.*