

# How the 2 CENT TAX is to be charged, collected and paid to Government

## How it is to be charged

2 CENT TAX is charged on the A\$ value of all spending, i.e. changes in ownership actual or beneficial, which is a matter of fact and as defined in GST legislation.

The A\$ value is the arms length commercial value of the change of ownership which can be tested by comparative analysis. Both the seller and the buyer to have a legal obligation to set a fair and reasonable value.

## How it is to be collected

Both the seller and the buyer to have a legal obligation to see that the 2 CENT TAX is charged and included in the value of the change of ownership, but only one of these will collect the 2 CENT TAX for payment to the Government.

The rule as to which of the seller or the buyer is to collect the 2 CENT TAX will be determined by whoever is the most reliable and who can collect and pay the 2 CENT TAX in the most effective, efficient and timely manner.

Example: A Supermarket, the seller, will display prices, which are inclusive of the 2 CENT TAX and will account for the collection and payment of the 2 CENT TAX. The customer's till docket or receipt to show for each item the current sales price and the reduced 2 CENT TAX price with the TOTALS showing the amount of reduction in 2 CENT TAX prices and the percentage reduction in prices. The customer with the aid of a smart phone application will be able to check the price reductions of items as they shop.

Example: An Employer, the buyer, will account for the collection and payment of the 2 CENT TAX on the employees' cost of employment for the TOTAL PAYROLL of all employees.

