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Enquiries:



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**APPLICATION FOR EXEMPTION UNDER  
DEBITS TAX ACT 1994**

**\*PLEASE READ NOTES ON REVERSE SIDE CAREFULLY BEFORE COMPLETING FORM**

Organisation's Incorporated Name: .....

Address: ..... Postcode:.....

Please indicate which category you are under .....  
.....(For eligibility details see the definition of excluded debits overleaf.)

For speedy processing please supply your Certificate Exemption Number given for previous debits tax exemptions (not including Sales Tax) ..... Will all debits made to the account from the date from which exemption is sought be debits which are excluded or exempt? (See notes 4 and 5 on the Information Sheet) .....

Account Name: .....

Cheque Account Number: ..... Date from which exemption is sought ...../...../.....

Name of Financial Institution: .....

Address of Branch at which the account is held:.....

Purpose for which account is to be used:.....

**ADDITIONAL ACCOUNTS (IF APPLICABLE)**

Account Name: .....

Cheque Account Number: ..... Date from which exemption is sought ...../...../.....

Name of Financial Institution: .....

Address of Branch at which the account is held:.....

Purpose for which account is to be used:.....

Account Name: .....

Cheque Account Number: ..... Date from which exemption is sought ...../...../.....

Name of Financial Institution: .....

Address of Branch at which the account is held:.....

Purpose for which account is to be used:.....

**APPLICANT DETAILS**

I, (Name)..... of (Address) .....

.....(Postcode) ..... (Telephone No.) .....

the (Position Held) ....., declare that to the best of my knowledge and belief the information set out above is true and correct in every detail.

..... Signature ..... Date...../...../.....

**Note: A severe penalty may be imposed for making a false declaration.**

1. **DEBITS TAX** (Previously known as BAD Tax) is paid on withdrawals from cheque accounts at a scaled rate.
2. A financial institution will not be liable to pay tax in respect of debits to an account for which a Certificate of Exemption is in force.
3. The Commissioner of State Taxation will grant a Certificate of Exemption where he is satisfied that all debits to the account will be excluded or exempt.
4. **Excluded debits** are broadly, debits made to an account in the name of:
  - a. a person who is entitled to exemption from the tax by virtue of any other law of the Commonwealth, such as foreign diplomatic and consular personnel with financial institution accounts in Australia who are entitled to exemption from the tax by reason of the Diplomatic Privileges and Immunities Act or the Consular Privileges and Immunities Act. A condition of this exemption is that the debit must have resulted from a transaction related wholly and exclusively to the person's non-business, private or domestic affairs, other than affairs consisting of the carrying on of a business in Australia;
  - b. an organisation that is entitled to exemption under another Commonwealth law for which Australia is obliged under international agreements to grant tax exemption. A condition of the exemption is that the debit must have related wholly and exclusively to the official activities of the organisation;
  - c. an official of an international organisation in respect of whom Australia is obliged under international agreement to grant tax exemption. As with the exemption for diplomatic and consular personnel, it is a condition of the exemption that the debit resulted from a transaction related wholly and exclusively to non-business, private or domestic affairs of the official;
  - d. a government of another country;
  - e. a public benevolent institution, a religious institution, a public or non-profit hospital or a non-profit school, college or university or any organisation established and operated exclusively for the raising of money for, or supporting such an institution. A debit to an account held by any of these bodies will not be an excluded debit unless it is related to a transaction carried out wholly and exclusively to promote the objectives of the body;
  - f. a Commonwealth, State or Territory government department or authority or a Local Government Council that does not carry out an activity in the nature of a business as its sole or principal function. However, tax will be payable on debits related to business activities which are not a minor or insignificant part of the functions of such a body;
  - g. a financial institution held with another financial institution. This applies if:
    - (i) the business of the account holding institution in South Australia consists wholly or principally of banking;  
or
    - (ii) all debits to the account are in connection with banking business by the account holding institution in South Australia;
  - h. an Offshore banking unit within the meaning of Division 11A of Part 111 of the Income Tax Assessment Act 1936.
5. **Exempt** debits are broadly adjusting debits in relation to tax on taxable debits. Exempt debits comprise a debit made to reverse a prior credit entry; a debit which is subsequently reversed; a debit to recover from the account holder tax paid by the financial institution.
6. A Certificate of Exemption may be revoked by the Commissioner if he is satisfied that an eligible debit has been made, or is to be made, to an exempt account.  
An **'eligible debit'** means a debit other than an excluded debit or an exempt debit. Where an eligible debit is made to an exempt account, the account holder is liable to pay the tax imposed.  
Where an eligible debit has been made to an exempt account, or the holder of an exempt account expects that an eligible debit will be made within 30 days, the account holder is required to notify the Commissioner in writing with seven days. A penalty can be imposed upon an account holder who does not furnish appropriate notification to the Commissioner as required.
7. **If a Certificate of Exemption is granted** it will be sent to the financial institution where the account is held. A copy will be sent to the account holder.  
**If a Certificate of Exemption is not granted**, the account holder will be advised in writing.
8. **PROOF OF ELIGIBILITY** You should submit copies of the organisation's constitution, financial statements and any other details of its activities to determine eligibility for exemption if you have not received a debits tax certificate of exemption previously.

**OFFICE USE ONLY**

Approved for Debits from ...../...../..... Reason: ..... Initials ..... /...../.....
Registered Number:.....Certificate Number: (3) .....
Certificate Number: (1) .....
Certificate Number: (2).....Entered: ...../...../..... Posted: ...../...../.....