



Reporting, paying and activity statements

Detailed information about reporting and paying GST for your business.

Time limits on GST credits and refunds



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Outstanding GST credits for purchases

Outstanding indirect tax refunds

Refunds of overpaid indirect tax on importations

Tax periods starting before 1 July 2012

Your entitlement to a GST credit ends four years from the due date of the earliest activity statement in which you could have claimed it (setting aside any requirement to hold a tax invoice). You can claim the credit in any activity statement lodged in this period.

Generally, if you have a refund resulting from a GST error, you can:

- revise the activity statement you made the error in
- request an amendment in writing
- correct the error in a later one.

You have four years and one day from when you lodged the activity statement to do this. This time limit is called the period of review.

Different time limits apply to refunds for tax periods starting before 1 July 2012.

Find out about

- [Outstanding GST credits for purchases](#)
- [Outstanding indirect tax refunds](#)
- [Refunds of overpaid indirect tax on importations](#)

See also

- [Tax periods starting before 1 July 2012](#)
- Guide to self-assessment for indirect taxes (including period of review)
- Correcting GST errors
- Making adjustments on your activity statements

Outstanding GST credits for purchases

An outstanding GST credit is any GST credit for a purchase that you're entitled to, but have yet to claim – including not claiming because you don't hold a valid tax invoice.

Generally, if you have an outstanding GST credit for a purchase, you don't need to revise an earlier activity statement. Instead, providing you hold a valid tax invoice, you can claim the GST credit in the next activity statement you lodge providing the activity statement is lodged within the four-year time limit for claiming the GST credit.

The time limit for claiming a GST credit for a purchase you make ends four years from the due date of the earliest activity statement in which you could have claimed the credit – setting aside any requirement to hold a valid tax invoice.

When the four-year time limit begins

If you account for GST on a cash basis, the earliest tax period in which you can claim a GST credit for a purchase is the tax period in which you make the payment.

Example: Time limit for GST credit (cash accounting)

Tim the tiler reports GST quarterly and accounts for GST on a cash basis. In May 2017, Tim pays in full for some tools. The earliest tax period in which Tim can claim the GST credit for his purchase (setting aside any requirement to hold a tax invoice) is the quarterly period ending 30 June 2017. The due date of Tim's activity statement for this period is 28 July 2017. The four-year time limit for claiming the GST credit ends four years from this date (28 July 2021).

Tim needs to obtain a valid tax invoice (if he doesn't already have one) and claim the GST credit in an activity statement that he lodges by 28 July 2021. If he doesn't claim the credit by this time Tim will cease to be entitled to the credit.

If you make the payment over multiple tax periods, the time limit applies separately to each part of the payment.

Example: Payment over multiple tax periods (cash accounting)

Riddell Co reports GST monthly and accounts for GST on a cash basis. The business buys a printer, paying for half of it on 14 April 2017 (when the order is placed) and the other half on 5 May 2017 (when the printer is delivered).

The earliest tax period in which Riddell Co can account for the first half of its GST credit is the April 2017 period and the earliest tax period in which it can account for the second half is the May

2017 period. The four-year time limit for the first half of the credit ends four years from the due date of Riddell Co's activity statement for the April 2017 tax period (that is, 21 May 2021). The four-year time limit for the second half of the credit ends four years from the due date of Riddell Co's activity statement for the May 2017 tax period (that is, 21 June 2021).

If you account for GST on a non-cash (accruals) basis, the earliest tax period in which you can claim a GST credit for a purchase is the first tax period in which either:

- an invoice for the purchase is issued
- you provide part or all of the payment for your purchase.

The four-year time limit begins on the due date of the activity statement for this tax period.

See also

- For certain purchases, such as second-hand goods, the earliest tax period in which you can claim a GST credit may be different to those described above. See [Special rules for specific GST credit claims](#).

Outstanding indirect tax refunds

An outstanding indirect tax refund is any indirect tax refund that you're entitled to but are yet to claim.

Your entitlement to an indirect tax refund is subject to the time limits for:

- GST credits
- the period of review, or
- the time limits for [tax periods starting before 1 July 2012](#).

Refund type	Example

Refund of a net amount (of GST, WET and LCT) for a tax period	<p>You are yet to lodge an activity statement for a tax period. Your net GST, WET and LCT entitlements for that tax period (which may include decreasing GST adjustments and wine tax credits) amount to \$2,000 and this amount exceeds your net GST, WET and LCT liabilities for that period (\$1,500). As a result, you have an outstanding indirect tax refund of \$500 that you may claim.</p>
Refund of an overpayment of a net amount (of GST, WET and LCT) for a tax period	<p>Due to a clerical error, you report and pay \$5,600 net GST for a tax period instead of the correct amount of \$5,060. The excess amount (\$540) represents an outstanding indirect tax refund that you may claim.</p>
Refund due to an underreported initial net refund entitlement (of GST, WET and LCT) for a tax period	<p>You report that you're entitled to a net GST refund of \$1,000 for a tax period and receive this refund. Subsequently, you discover that you unintentionally accounted for the same amount of GST twice and your actual refund entitlement for the tax period is \$1,200. The excess \$200 represents an outstanding indirect tax refund that you may claim.</p>
Refund of indirect tax relating to an importation	<p>You overpay \$100 GST for an importation. This \$100 represents an outstanding indirect tax refund that you may claim.</p>

Incorrectly classified sales

You may not be entitled to claim a refund if the reason is that you treated a sale as being subject to GST to a greater extent than it actually was subject to GST. For example, you may have incorrectly treated a wholly GST-free sale as being (partly or wholly) subject to GST. Generally, you'll not be entitled to claim a refund. If you refund

your customer the amount of the GST you will have a decreasing adjustment.

See also

- **Making adjustments on your activity statements**
- *GSTR 2015/1 Goods and services tax: the meaning of the terms 'passed on' and 'reimburse' for the purposes of Division 142 of the A New Tax System (Goods and Services Tax) Act 1999*
- *MT 2010/1 Miscellaneous tax: restrictions on GST refunds under section 105-65 of Schedule 1 to the Taxation Administration Act 1953*

Refunds of overpaid indirect tax on importations

For tax periods starting before 1 July 2012, the four-year limit for a refund of indirect tax relating to an importation expires four years after the date of the importation. For example, if you overpaid GST on goods that you imported on 3 June 2012 then you have until 3 June 2016 to claim your refund.

For tax periods starting on or after 1 July 2012, the four-year limit for an indirect tax refund relating to an importation ends four years from the day after the notice of assessment was given to you.

Tax periods starting before 1 July 2012

For tax periods starting before 1 July 2012, entitlement to outstanding indirect tax refunds, GST or fuel tax credits has expired as the four-year time limit for tax periods before this date has ended, unless one of the following exceptions applies:

- You have previously notified us of an entitlement to a refund, GST credit or fuel tax credit during the relevant four-year period.
- We have notified you of an entitlement to a refund during the relevant four-year period.
- The credit relates to an outstanding indirect tax debt that we are satisfied was avoided by fraud or evasion.

- The credit relates to an outstanding indirect tax debt that we required you to pay within the relevant four-year period.

These exceptions do not apply to tax periods starting on or after 1 July 2012. These tax periods are subject to the four-year period of review.

See also

- [Guide to self-assessment for indirect taxes](#)

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Our commitment to you

We are committed to providing you with accurate, consistent and clear information to help you understand your rights and entitlements and meet your obligations.

If you follow our information and it turns out to be incorrect, or it is misleading and you make a mistake as a result, we will take that into account when determining what action, if any, we should take.

Some of the information on this website applies to a specific financial year. This is clearly marked. Make sure you have the information for the right year before making decisions based on that information.

If you feel that our information does not fully cover your circumstances, or you are unsure how it applies to you, contact us or seek professional advice.

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