

Handling GST on Imported Goods in New Zealand Accounts Business

Handling the GST associated with imported goods is not a straightforward matter for two reasons:

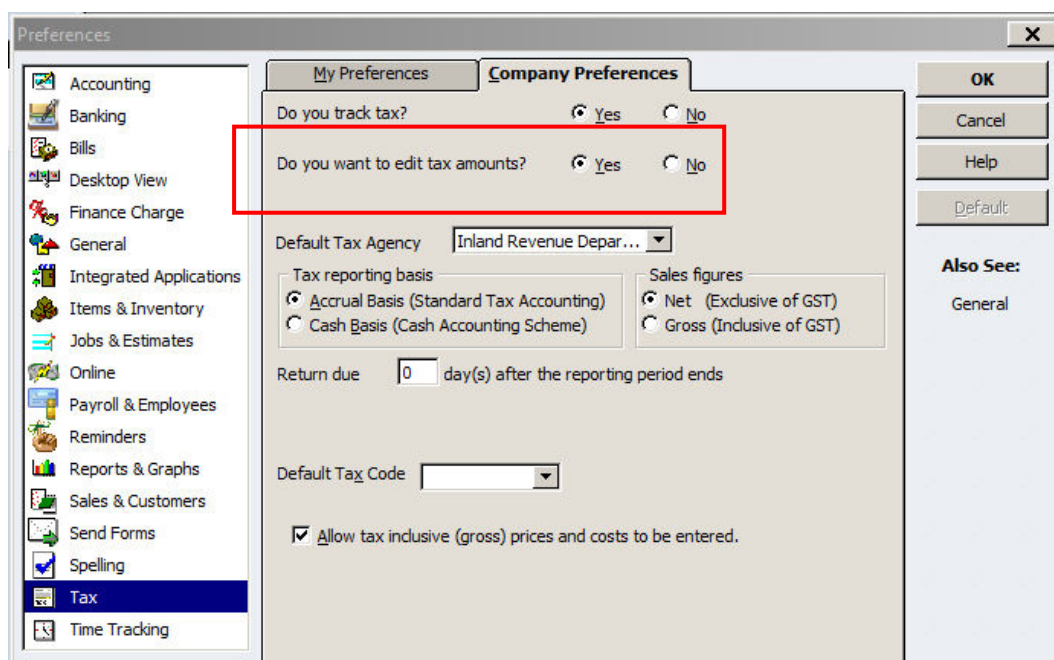
1. The deemed 'customs value' of the goods on which GST is levied may be different to the amount you actually paid;
2. The GST is levied separately from the purchase.

Generally, you enter the bill for your imported goods on the day of the transaction when the exact GST amount is not known. At a later date you receive a bill for the GST component, which because of the 'customs value' may not be 15% of your purchase price.

In this paper we will show you how to configure a tax code to handle this GST charge on your imported goods.

Step 1: enable "Edit tax amounts".

1. Go to Edit > Preferences > Tax > Company Preferences;
2. Click Yes to 'Do you want to edit tax amounts?'
3. Click OK and Yes to save.



Please Note: While we try to provide you with the solution you need, we cannot warrant that the information set out in this document is totally error free or will necessarily resolve any problem you may have."

Step 2: Check that the “ I ” tax item is correctly set up.

1. Lists > Tax Item List > double click on “ I ”;
2. In the Tax Rate (%) or Amt, enter **100%**,
3. Check that all other details match the required entries:

4. Click on OK to save:

Step 3: Create a Bill for the GST amount advised by NZ Customs.

Payee: **NZ Customs**

Expense: **Import GST**

Tax code: **I**

Net Amount: **leave blank**

Tax Amt: **as advised by NZ Customs**

You can add any other charges payable to NZ Customs on this form.

Enter Bills - Accounts Payable

Previous Next Find History Journal

Bill Credit A/P Account: Accounts Payable Bill Received

Bill

Supplier: NZ Customs Date: 14/09/2011

Address: NZ Customs Ref. No.

Amount Due: NZ\$ 200.00

Bill Due: 24/09/2011

Terms: Memo:

Expenses NZ\$200.00 **Items** NZ\$0.00

Account	Tax	Net Amt	Tax ...	Memo	Customer:...	Billa...	Class
Import GST	I		200.00				

Supplier Tax Cgde: Amounts include tax: Total Tax: 200.00

Exchange Rate: 1 Net Amount: 0.00

Clear Splits Recalculate Save & Close Save & New Clear

Step 4: view information on the GST 101 Report, Box 13

GST 101 Report

Modify Report... Memrise... Print... Email... Export... Hide Header Refresh Print GST101 Form

Dates: This Tax Year-to-date From: 01/01/2011 To: 14/09/2011

2:18 PM
14/09/11
Accrual Basis

QuickBooks Accredited Consultant File
GST 101 Report
January 1 through September 14, 2011

◇ Jan 1, '11 - Sep 14, 11 ◇

Goods and Services Tax

Total Sales and Income for the period (incl. GST)(incl. Zero-rated supplies) (Box 5)	6,134.60
Zero-rated supplies (included in box 5) (Box 6)	65.00
Total Sales (box 5 minus box 6)(Box 7)	6,069.60
Total GST collected on sales (Box 10)	791.68
If no adjustments in Boxes 8 and 9	
Total Purchases and expenses (incl. GST) excluding any imported goods (Box 11)	2,553.85
GST on purchases and Expenses (Box 12)	333.12
Credit adjustments (Box 13)	200.00
Total GST Credit for Purchase & Expenses (Box 14)	533.12
Net GST to Pay (or reclaim if Negative) (Box 15)	258.56

