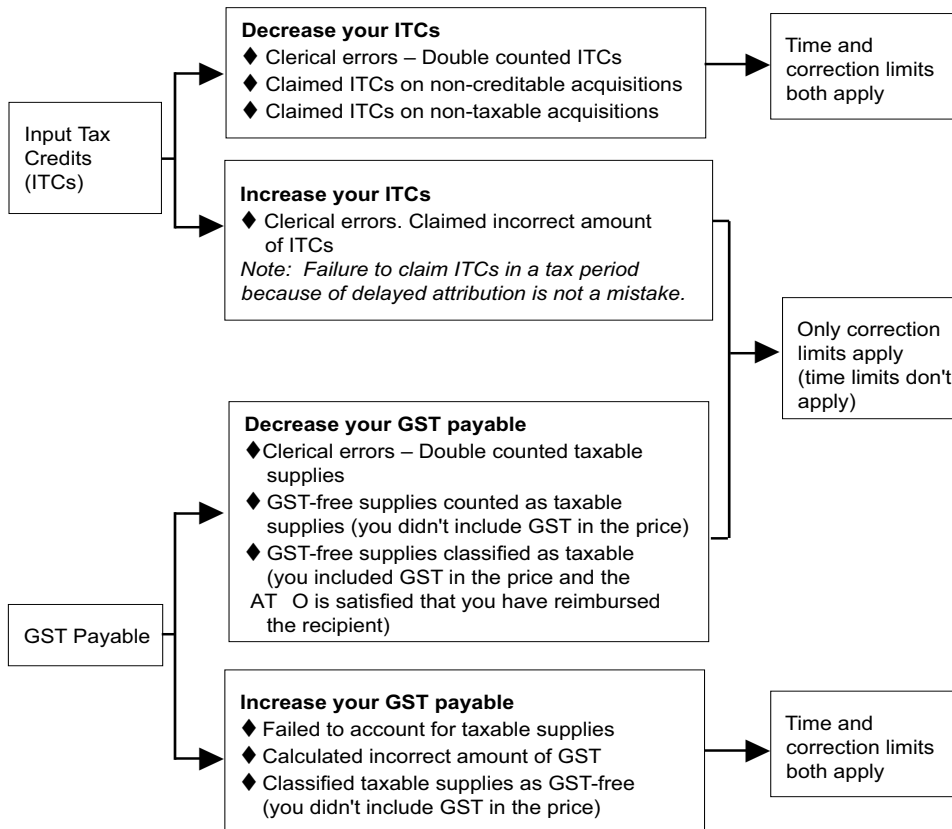


### 13.06 Correcting GST Mistakes

In certain circumstances, GST mistakes may be corrected without penalties or interest on a subsequent BAS instead of revising the earlier (incorrect) BAS.

The following diagram summarises the process involved in correcting GST mistakes. It is adapted from the ATO fact sheet *Correcting GST Mistakes – 07/2004* available at: [www.ato.gov.au](http://www.ato.gov.au) and should be read in conjunction with the fact sheet.



**13.06.01 Time Limits**

Corrections that increase GST payable, or decrease input tax credits, can be made on the next activity statement only if the errors fall within the following time limits:

<b>Annual Turnover \$</b>	<b>Time Limit*</b>
Less than 20m	Up to 18 months
20m to less than 100m	Up to 3 months
100m to less than 500m	Up to 3 months
500m to less than 1b	Up to 3 months
1b and over	Up to 3 months

\* A time limit up to 18 months is 18 monthly or 6 quarterly activity statements or 1 annual GST return, whilst a time limit up to 3 months is 3 monthly or 1 quarterly activity statement.

**13.06.02 Correction Limits**

Corrections to increase or decrease GST payable or input tax credits can only be made on the next activity statement if the net effect of all errors occurring in earlier activity statements is within the following correction limits:

<b>Annual Turnover \$</b>	<b>Correction Limits* \$</b>
Less than 20m	Less than 5,000
20m to less than 100m	Less than 10,000
100m to less than 500m	Less than 25,000
500m to less than 1b	Less than 50,000
1b and over	Less than 300,000

\* The correction limits are the maximum amount of corrections that can be made on a later activity statement and are not a 'per activity statement' or 'per mistake' limit. Note: corrections to increase input tax credits can only be made on a later activity statement if they result from a mistake and not from delayed attribution.