

# GST ANNEXURE

## SPECIAL CONDITION TO THE CONTRACT FOR THE SALE OF RURAL LAND BY OFFER AND ACCEPTANCE

### SALE OF FARMING LAND/ BUSINESS

.....("The Property")

#### **Choice One – Sale of a Farm (GST Free)**

- (1) The Seller warrants that a farming business has been carried on on the Property comprised in this sale for more than five years before the date of this Contract.
- (2) The Buyer warrants that, on and after Settlement, a farming business will be carried on upon the Property.
- (3) In the event of the Seller being liable for GST:
  - (a) the Buyer agrees to pay to the Seller, within 14 days after the Seller's liability for GST on this sale is confirmed by the Commissioner, the amount of the GST;
  - (b) if the Buyer is entitled to input tax credits then the Seller will deliver to the Buyer, as a precondition to the above payment, a Tax Invoice.

SELLER .....

BUYER .....

#### **Choice Two – Sale of a Farming Business as a Going Concern**

- (1) The Seller and Buyer agree that the sale of the Property in this Contract is the supply of a going concern.
- (2) The Buyer represents and warrants that it is registered or is required to be registered under the GST Act.
- (3) The Seller agrees that it will carry on the conduct of the business on the Property as a going concern until Settlement.
- (4) The Seller and Buyer have entered into this Contract on the basis that the supply is GST free and that the Purchase Price is exclusive of GST.
- (5) If for any reason this sale is not accepted by the Commissioner as GST free, as the supply of a going concern:
  - (a) the Buyer agrees to pay to the Seller, within 14 days after the Seller's liability for GST on this sale is confirmed by the Commissioner, the amount of the GST;
  - (b) if the Buyer is entitled to input tax credits, then the Seller will deliver to the Buyer, as a precondition to the above payment, a Tax Invoice.

SELLER .....

BUYER .....

#### **Further for the purposes of Stamp Duty assessment the Seller and Buyer state:**

- (1) To the best of our knowledge and belief, GST is not payable on the transaction the subject to the instrument.
- (2) A ruling has not been obtained or sought from the Australian Taxation Office on the transaction.
- (3) The basis on which it is claimed that no GST is payable is that the transaction meets the requirements of a going concern under the GST Act and GST Ruling 2002/5 in that the Seller supplies to the Buyer all of the things that are necessary for the continued operation of an enterprise; and the Seller carries on, or will carry on, the enterprise until the day of the supply (whether or not as part of a larger enterprise carried on by the supplier).
- (4) The Buyer and the Seller declare that the conditions or requirements specified in the GST Act have been or will be met.

SELLER ...../...../.....

BUYER ...../...../.....