

TAX CODES & THEIR USES IN MYOB (Alphabetical)

Code	Description
FRE	<p>This is the GST-free tax code. It is set at zero percent and used to record your GST-free purchases and sales.</p> <p><i>Can only be used if goods are on the "Free List" from the ATO</i></p> <p><i>FRE: Goods & Services Tax 0%.</i></p>
GNR	<p>This is the GST Not Registered code. It is to record purchases from Suppliers who are not registered to collect GST but have an ABN</p> <p>GNR: Input Taxed:0%</p>
GST	<p>This is the Goods and Services Tax code. It is to record your sales, purchases, cheques and deposits on which you have either collected or paid GST.</p> <p>GST: Goods & Services Tax: 10%</p>
CAP	<p>This is a GST code, and is used to record GST on Capital Acquisitions. It is similar to the GST code, but where the GST code is used to record most business expenses, this code is only used to record the purchase of capital items. An easy rule of thumb is to remember that if the item purchased is to be depreciated, then use CAP, if it is not to be depreciated, use GST. We suggest you use the code GST when you sell capital items, so long as you remember to add the CAP code totals to your GST sales on the BAS form.</p> <p>CAP. Goods & Services Tax: 10%</p>
GW	<p>The GW code is a consolidated code which combines both the GST on Wine Equalisation Tax (WEG) and Wine Equalisation Tax (WET) codes.</p> <p>GW: Consolidated: WEG & WET.</p>
IMP	<p>This tax code can only be used on purchase orders. It is used to apportion indirect cost such as duty and handling costs over the value of the purchase order and allocated the indirect costs to a liability account.</p> <p>IMP: Import Duty: 5%</p>
INP	<p>This is the Input Taxed code. It can only be used in Spend Money and Purchases, and is designed to help you record expenses that relate to making Input Taxed sales.</p>

	INP: Input Taxed – Purchases: 10%
LCT	<p>This is the Luxury Car Tax code. Car dealers would use this tax code to handle the special tax considerations which accompany the sale of luxury cars.</p> <p>LCT: Luxury Car Tax: 25%</p>
N-T	<p>This the No- Tax code and is used to record transactions outside the GST net, such as cash transfers, depreciation and recording stock movements. It is useful for auditing purposes to make sure all your transactions are allocated a tax code and you can use this code when no other will do.</p> <p>N-T: Goods & Services Tax: 0%</p>
VWH	<p>This is the Voluntary Withholding code and is used to record payments where the payee wants some of the payment deducted for taxation purposes. For example, contractors may request tax to be set aside from their payments and have the tax sent to the ATO.</p> <p>Note: When using tax codes with a Voluntary Withholdings tax type, ensure that they are tax exclusive?</p> <p>VWH: Voluntary Withholdings: 20%</p>
WEG	<p>This is the Wine Equalisation GST code and is the GST component of a wine sale that includes both GST and WET.</p> <p>WEG: Goods and Services Tax: 12.9%</p>
WET	<p>This is the Wine Equalisation Tax code.</p> <p>WET: Sales Tax: 29%</p>
EXP	<p>This is the Export Code. Like the Free code, it is a GST code set to zero percent. Use this code to record export sales. Remember, this code differs from the default import code (IMP) which is used to record import duties on purchases.</p> <p>EXT: Goods & Services Tax: 0%</p>
ITS	<p>This code is used to record Input Taxed Sales and is a GST code set to 0%. For example, you would use this code if you were a landlord collecting residential rents. This code differs from the existing MYOB default Input Taxed (INP) code which is used to record Input Taxed purchases such as a landlord paying plumbing expenses on residential rental premises</p>

	<p>ITS: Goods & Services Tax: 0%</p>
ABN	<p>Can also be known as GN2. This code is used to record purchases from Vendors who do not have an ABN and are not registered to collect GST. It will automatically deduct 48.5% of the purchase order value and allocate it to a payable account. Use this to record purchases from people/businesses who do not have and ABN. Note that exemptions do apply to second hand goods and to hobbyists.</p> <p>Note: When using tax codes with a No ABN tax typ, ensure that they are tax exclusive!</p> <p>ABN: No ABN/TFN: 48.5%</p>
NTD	<p>This code to be used by companies in particular for non-income tax deductible expenses. Whenever an expense is not deductible for income tax purposes, the company is no permitted to claim back the Input Tax Credit for GST</p> <p>This is not for expencses that are strictly directors' drawings that are coded direct to the loan account. Such entries should be coded to 'N-T'.</p> <p>NTD: Input Taxed: 0%</p>
PRI	<p>you might rename this account Owners' Drawings if you wer a sole proprietor or partnership.</p> <p>Link it to an account like drawings, or a special account called GST Private Use.</p> <p>Accounting convention expects Drawings accounts to be set up as Equity accounts and closed off to retained earnings at the end of the year. Many MYOB accounting software user prefer to create Drawings accounts as Other Expenses and then close them to retained earning when you start a new year.</p> <p>We con use this tax code to adjust our private usage portion of business expenses. This can be done as the expense is originally entered, or as an adjustment at the time of working out our GST liabilities. You should consult your accountant if you are unsure as to how much business expense should be approtioned to Private Use.</p> <p>You may need to use a second tax code for Private Use of Capital Assets.</p>

	PRI? Goods Services Tax: 10%
QUE	<p>QUE stands for GST Query. From time to time you might be uncertain as to what tax type should be applied to a transaction. You can use this tax code to group together all your queries. Simply create a report filtered to this code and seek advice from your accountant about allocating these transactions to the proper tax codes.</p> <p>QUE: Goods & Services Tax: 10%</p>
CON	<p>Contracts Spanning the WST and GST periods.</p> <p>CON: Goods & Services Tax:10%</p>
CDS	<p>Cellar Door Sales. This code may be used to handle sales tax on cellar door wine sales.</p> <p>CDS: Sales Tax: 18.9768%</p>
CDG	<p>Cellar Door GST. This code may be used to handle GST on cellar door wine sales.</p> <p>CDG: Goods & Services Tax: 10%</p>
LCG	<p>Luxury Car Tax Consolidated. This code may be used to consolidate both LCT and GST tax codes.</p> <p>LDG: Consolidated: LCT 25% and GST 10%</p>
SHG	<p>Second Hand Goods. The rules applying to second hand goods are complicated and therefore isolating second hand goods from normal GST sales and purchases can be helpjul</p> <p>SHG: Goods & Services Tax:10%</p>

MYOB has a 'Support Notes' web site which gives more information regarding not only tax codes but many other areas of bookkeeping
<http://support.myob.com.au/snote.cfm>