



Minister for Finance  
Acting Assistant Treasurer

The Hon Dr Dennis Jensen MP  
Chair  
Standing Committee on Petitions  
PO Box 6021  
Parliament House  
CANBERRA ACT 2600

Dear Dr Jensen

Thank you for the letter of 31 January 2014 to the Treasurer relating to a petition recently submitted for the consideration of the Standing Committee on Petitions, requesting an amendment to the goods and services tax (GST) legislation to maintain the current GST treatment of moveable home estates in the event that the ATO finalised its draft ruling on moveable home estates. Your letter has been referred to me as I have responsibility for taxation in this area.

The Australian Taxation Office (ATO) withdrew the draft ruling on moveable home estates referred to in the petition on 19 December 2013, which means that there will be no change to the GST treatment of these residences. Accordingly, there will be no need to examine an amendment to the GST legislation for the purposes of the petition.

In withdrawing the ruling, the ATO noted that it now considers that moveable home estates are sufficiently similar to caravan parks and accordingly, are classified as commercial residential premises and will continue to receive concessional GST treatment in respect of long-term residents. A copy of the ATO's media release is attached for your information.

I trust this information will be of assistance to you.

Yours sincerely

MATHIAS CORMANN

March 2014



**Australian Government**  
**Australian Taxation Office**

# **MEDIA RELEASE**

19 December 2013

Media release 2013/41

## **No extra GST to be added to moveable homes**

The ATO has considered comments on its draft ruling and decided not to change the GST treatment of moveable home estates.

The draft ruling will now be withdrawn and moveable home estates will continue to be treated as commercial residential premises with the same GST rules for long-term accommodation.

“Over the past seven weeks, we have been considering a range of submissions from the community and stakeholders as part of our consultation process,” Tax Commissioner Chris Jordan said.

“We have carefully considered the legal arguments and practical implications and decided that we don’t need to change the existing GST treatment of these estates.

“Our preliminary view had been that moveable home estates were not sufficiently similar to caravan parks to be commercial residential premises.

“With the benefit of submissions, it is evident that while moveable home estates have changed, they are still similar enough to caravan parks to receive the concessional treatment. In particular, both involve letting of sites separately to the building, and provide communal facilities to residents.

“Our draft ruling process encourages the community and stakeholders to put forward their views on our interpretation of tax issues. We received many comments from industry groups, residents and tax professionals during the consultation process. We thank the community for their involvement.”

**ENDS**

Canberra

For further enquiries from members of the media: 02 6216 1901 or 0401 147 127