



BUILDING WORK CONTRACTORS (GST) AMENDMENT ACT 1999

No. 78 of 1999

SUMMARY OF PROVISIONS

1. Short title
2. Amendment of s. 3—Interpretation
3. Amendment of s. 29—Price and domestic building work contracts



ANNO QUADRAGESIMO OCTAVO

ELIZABETHAE II REGINAE

A.D. 1999

No. 78 of 1999

An Act to amend the Building Work Contractors Act 1995.

[Assented to 2 December 1999]

The Parliament of South Australia enacts as follows:

Short title

1. (1) This Act may be cited as the *Building Work Contractors (GST) Amendment Act 1999*.

(2) The *Building Work Contractors Act 1995* is referred to in this Act as "the principal Act".

Amendment of s. 3—Interpretation

2. Section 3 of the principal Act is amended by inserting after the definition of "domestic building work contract" the following definitions:

"GST" means the tax payable under the GST law;

"GST law" means—

- (a) *A New Tax System (Goods and Services Tax) Act 1999* (Cwth); and
- (b) the related legislation of the Commonwealth dealing with the imposition of a tax on the supply of goods and services;.

Amendment of s. 29—Price and domestic building work contracts

3. Section 29 of the principal Act is amended—

(a) by inserting after subsection (8) the following subsections:

(8a) Despite the preceding provisions of this section (but subject to any other relevant law), it is lawful to include in a domestic building work contract (other than a fixed price contract made on or after 1 July 2000) a provision (a **GST clause**) entitling the building work contractor to recover the GST paid or payable by the contractor on the supply of goods and services under the contract.

(8b) If a domestic building work contract contains a GST clause, the contract must contain a statement in prominent type or handwriting as follows:

- (a) if, at the date of the contract, it is possible but not likely that goods or services will be supplied under the contract after 1 July 2000—a statement to the effect that the contract price of the building work may increase to cover GST;
- (b) if the contract is made on or after 1 July 2000 or, at the date of the contract, it is likely that goods or services will be supplied under the contract after 1 July 2000—a statement to the effect that the contract price for the building work will increase to cover GST.

(8c) A domestic building work contract (other than a fixed price contract made on or after 1 July 2000) may contain both a cost-plus clause and a GST clause.;

(b) by inserting before the definition of "**rise-and-fall clause**" in subsection (10) the following definitions:

"**cost-plus clause**" means a contractual provision of the kind described in subsection (5);

"**fixed price contract**" means a domestic building work contract that contains neither a cost-plus clause nor a rise-and-fall clause;

"**GST clause**" means a contractual provision of the kind described in subsection (8a);.

In the name and on behalf of Her Majesty, I hereby assent to this Bill.

E. J. NEAL Governor