

What are we going to cover today?

GST Strategic Wins When Buying or Selling Businesses



Fehily Advisory

What are we covering today?

Non-GST issues that are relevant



There are many non-GST matters that should also be considered at ***all M&A stages***, including other taxes/levies/duties, finances, legal matters, the counter-parties, personal issues, the ATO, long/short term strategies, etc

Note that while financial supplies are themselves not subject to GST (eg shares or interests in Partnerships or Trusts), GST can impact or be impacted by other matters. Eg. Stamp Duty might be levied on top of the GST element of the price of supplies

What are we covering today?

Underestimating importance of GST



Don't ***underestimate*** the importance of GST:

GST issues can sometimes be the primary issue determining the viability of a sale, purchase or restructuring of a business and can influence whether the deal proceeds or not. Eg. 'markets' for GST classifications, post deal completion, taking out a competitor and its supplies, 'of a kind' and 'marketed as' tests, etc

Yet GST considerations are very often not thought about at all or not until the end when it could be too late. So much effort is put into negotiating the very last 0.1% or \$cent in a deal, yet the GST at 10% is often ignored, or dismissed as an unimportant compliance issue for the accounting nerds to just do, with no choice or impact. GST is not 'just 10%' !

What are we covering today?

Overestimating importance of GST



Don't ***overestimate*** the importance of GST:

GST issues sometimes unnecessarily cloud the real issues in decision making and it sometimes inappropriately becomes a war between advisors (whether GST specialists or not) and between business owners

Is GST-free always better? For example, I normally encourage Vendors ***not*** to elect to use the GST-free Going Concern option, but encourage Purchasers to push for it

What are we covering today?

Other tax and non-tax issues



Don't confuse GST 'principles and concepts' that very often arise during M&A activities in relation to other taxes, such as:

- 'Capital' for CGT purposes
- 'Exemptions' for Stamp Duty purposes
- 'Financial supplies or financial instruments'
- 'Consolidations' for income tax and 'GST Grouping'
- 'Partnerships' for Income Tax purposes
- 'Time periods' (Eg financial year vs income tax year vs GST year)

DON'T TAKE CHANCES BY ROLLING THE DICE ON GST





Hi, my name is Ken

I am a GST Specialist, Advisor and Mentor
empowering Boards, Executives and
Business Owners to convert complex GST
issues into tangible business
opportunities using proven methodology
and keeping them safe

Contact Ken for more information
on GST



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