



GST and other health services

This fact sheet explains what health services, apart from medical services, are GST-free.

TERMS WE USE

When we say **health practitioner**, we mean a recognised professional provider of a listed health service.

Apart from medical services, other health services are GST-free if they are:

- a listed health service
- performed by a recognised professional, and
- generally accepted in the relevant health profession as being necessary for the appropriate treatment of the recipient of the service.

➤ This fact sheet only covers other health services. For information on the GST treatment of medical services, refer to *GST and medical services* (NAT 4649).

WHAT ARE 'OTHER HEALTH SERVICES'?

There are 21 health services listed in the GST Act.

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| 1 Aboriginal or Torres Strait Islander health | 10 Nursing |
| 2 Acupuncture | 11 Occupational therapy |
| 3 Audiology, audiometry | 12 Optometry |
| 4 Chiropody | 13 Osteopathy |
| 5 Chiropractic | 14 Paramedical |
| 6 Dental | 15 Pharmacy |
| 7 Dietary | 16 Psychology |
| 8 Herbal medicine (including traditional Chinese herbal medicine) | 17 Physiotherapy |
| 9 Naturopathy | 18 Podiatry |
| | 19 Speech pathology |
| | 20 Speech therapy |
| | 21 Social work |

To qualify, the service must be one of the actual health services listed above and not just similar to one of those services.

WHO IS A RECOGNISED PROFESSIONAL?

A recognised professional is a person who:

- is registered, permitted or approved under state or territory law to supply the listed health service, or
- if there is no relevant state or territory law, is a member of a professional association that has uniform national registration requirements relating to the supply of the health service, or
- in the case of audiology or audiometry, the service is supplied by an accredited service provider under section 4 of the *Hearing Services Administration Act 1997*.

IS A HEALTH SERVICE GST-FREE IF IT'S PROVIDED BY AN ASSISTANT OF A RECOGNISED PROFESSIONAL?

Any part of the health service performed by an assistant who is not a recognised professional will be included as part of the health practitioner's GST-free service if:

- 1 it is billed in the name of the health practitioner and the health practitioner accepts full responsibility for the health service
- 2 it is a component of the health service that the health practitioner provides
- 3 the health practitioner has involvement in at least part of that particular health service, and
- 4 the health practitioner directly supervises the assistant by:
 - i attending to the patient at the commencement of each treatment
 - ii being readily available for the whole time the assistant works with the patient
 - iii being available to take appropriate action in the case of an emergency
 - iv determining all of the appropriate treatment to be provided by the assistant, and
 - v being capable of providing satisfactory evidence that he/she monitors the health services conducted by the unqualified staff member.

WHAT IS 'APPROPRIATE TREATMENT'?

A health practitioner provides 'appropriate treatment' when they assess a patient's health and determine a course of action to preserve, restore, or improve the physical or psychological wellbeing of that patient as far as their training allows.

The treatment is 'appropriate' if it would generally be accepted by the relevant health profession as being appropriate for the patient.

Appropriate treatment includes further treatments and the principles of preventative medicine.

WHAT IF A SERVICE IS NOT PROVIDED DIRECTLY TO THE PATIENT?

Sometimes a health practitioner is contracted by a third party (for example, a hospital, community health organisation or an insurance company) to provide health services to a patient.

In such cases, the third party is considered to be the recipient of the health service, even though the patient is given the actual treatment. Where a third party (rather than the patient) is the recipient of the health service, the service is not GST-free.

A health practitioner will be considered to have made a supply to a third party if:

- the third party engages the health practitioner to provide something to them or to someone else
- the third party, by agreement with the health practitioner, determines what is to be provided, and
- the agreement creates a binding obligation between the third party and the health practitioner for the thing to be provided.

ARE GOODS SUPPLIED AS PART OF A HEALTH SERVICE GST-FREE?

If a health practitioner supplies goods as part of a GST-free health service, those goods are GST-free if they are supplied to the patient at the same time as the GST-free health service and they are:

- individually customised or manipulated for the treatment of the illness or disability of that particular patient, and
- essential for treating that patient during that particular consultation.

EXAMPLE

A health practitioner treats a patient's injury during a consultation by applying a bandage. If the consultation is GST-free, that bandage will also be GST-free.

➤ MORE INFORMATION

If you need more information about GST and other health services, you can:

- visit our website at www.ato.gov.au
- phone **13 28 66**
- obtain a fax by phoning **13 28 60**, or
- write to us at PO Box 9935 in your capital city.

If you do not speak English well and want to talk to a tax officer, phone the Translating and Interpreting Service on **13 14 50** for help with your call.

If you have a hearing or speech impairment and have access to appropriate TTY or modem equipment, phone **13 36 77**. If you do not have access to TTY or modem equipment, phone the Speech to Speech Relay Service on **1300 555 727**.

OUR COMMITMENT TO YOU

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In the taxpayers' charter we commit to giving you information and advice you can rely on.

If you try to follow the information contained in our written general advice and publications, and in doing so you make an honest mistake, you won't be subject to a penalty. However, as well as the underpaid tax, we may ask you to pay an interest charge.

We make every effort to ensure that this information and advice is accurate. If you follow our advice, which subsequently turns out to be incorrect, or our advice is misleading and you make a mistake as a result, you won't be subject to a penalty or interest charge although you'll be required to pay any underpaid tax.

You are protected under GST law if you have acted on any GST information in this publication. If you have relied on GST advice in this Tax Office publication and that advice has later changed, you will not have to pay any extra GST for the period up to the date of the change. Similarly, you will not have to pay any penalties or interest.

If you feel this publication does not fully cover your circumstances, please seek help from the Tax Office or a professional adviser. Since we regularly revise our publications to take account of any changes to the law, you should make sure this edition is the latest. The easiest way to do this is by checking for a more recent version on our website at www.ato.gov.au