

## Simpler BAS client metrics for Small Businesses

The total GST registered client base is 2,760,558 businesses. The breakdown by overall turnover is as follows:

- ☐ < **\$10M turnover**: 2,725,337 million businesses (**98.7%** of all GST registered businesses)
- ☐ =>**\$10M turnover**: 35,221 businesses (**1.3%** of all GST registered businesses)

The following tables provide the full breakdown of the GST client base by GST cycle and reporting options for small businesses up to the \$10M threshold. Clients currently using the full and streamlined reporting options that are below the \$10M threshold will be transitioned to Simpler BAS reporting from 1 July 2017.

Please treat these as preliminary figures that we will be updating and refining as we get closer to the July 2017 transition period.

Table 1: Registered Small Businesses < \$10M turnover

GST Reporting Option	Annual GST cycle	Quarterly GST cycle	Monthly GST cycle	Total
Instalment	N/A	130,957	N/A	130,957
Streamlined	N/A	82,770	N/A	82,770
Full Reporting	248,073	2,128,054	135,483	2,511,610
<b>Total</b>				<b>2,725,337</b>

Table 2: Registered Small Businesses with a turnover in close proximity to the \$10M\* thresholds

Turnover	Number of clients	Percentage of GST clients
\$9.75 M to \$10.25M turnover	2,302	0.08%
\$9.9M to \$10.1M turnover	639	0.02%

\*The current 2M threshold will increase to \$10M - subject to passage of legislation. Same 1 July 2017 outcomes apply for both scenarios.

Table 3 – Changes to GST reporting options from 1<sup>st</sup> July 2017

GST Cycle	Turnover*	Current GST reporting option	GST reporting options from 1 <sup>st</sup> July 2017	Option to opt out of default?
Monthly	>\$10M	Full reporting	Full reporting	No
	<\$10M	Full reporting	Simpler BAS	No
Quarterly	\$10M to \$20M	Full Reporting	Full Reporting <b>(Note: Streamlined option removed)</b>	No
		Streamlined reporting (option to opt in)		
	<\$10M	Full Reporting	Simpler BAS	Yes – option to opt out to instalments
		Streamlined reporting		
	Instalments	Instalments <b>(Note: for clients who continue using the instalment reporting method, the Annual GST Return (GSTA) will be simplified from 1 July 2017.</b>	Yes – Voluntary election but have option to change to Simpler BAS	
Annual	<\$75k or \$150k (NFP)	Full reporting	Simpler BAS	No

\* The current 2M threshold will increase to \$10M - subject to passage of legislation. Same 1 July 2017 outcomes apply for both scenarios.

## 1. Population breakdown for SWD's - \$10million Turnover Range

Population	<\$10M Turnover (Small Business)	2,725,337
	>\$10M Turnover (SME/Large Business)	35,221
	Total Business Population	2,760,558

Scenarios	Current state	Future state	Client population (Client/ABN Level) (2015 Calendar Year Data)	Percentage of Total population	Lodgment Method	
<b>Scenario 1:</b> Existing client on Full reporting eligible for Simpler BAS (<\$10 million)	Full Reporting	Simpler BAS	2,511,414	90.97%	Non-Digital (eg Paper)	752,370
					Digital	1,759,044
<b>Scenario 2:</b> Existing client on Full reporting ineligible for Simpler BAS (>=\$10 million)	Full Reporting	Full Reporting	34,686	1.26%	Non-Digital (eg Paper)	2,122
					Digital	32,564
<b>Scenario 3:</b> Existing GST Instalment reporting client (<\$10 million)	Instalment Method	Instalment Method	130,958	4.74%	Non-Digital (eg Paper)	16,721
					Digital	114,237
<b>Scenario 4:</b> Existing instalment reporting client (>=\$10 million) ineligible for Simpler BAS or Instalments	Instalment Method	Full Reporting	56	0.002%	Non-Digital (eg Paper)	7
					Digital	49
<b>Scenario 5:</b> Existing GST Streamlined reporting clients (<\$10 million)	Streamline reporting	Simpler BAS	82,965	3.00%	Non-Digital (eg Paper)	27,882
					Digital	55,083
<b>Scenario 6:</b> Existing GST Streamlined reporting clients (>=\$10 million)	Streamline reporting	Full Reporting	479	0.02%	Non-Digital (eg Paper)	36
					Digital	443

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