

Standard Operating Procedures Reclaim of GST paid on purchases

April 2024



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Version Control

Date	Version	Summary of changes made
April 2024	1	New Standard Operating Procedure



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Introduction

This Standard Operating Procedure describes the procedures and controls to be followed in submitting returns to the Government of Jersey Tax Office in order to reclaim GST paid on purchases by Family Nursing & Home Care (FNHC).



Claiming refunds of GST paid

Purpose

This policy establishes procedures to be followed in order to claim refunds of Goods and Services Tax (GST) paid by FNHC on their purchases and business expenses at the time of purchase.

The Accounts Payable function within the Finance department is responsible for accurately recording all GST paid and subsequently claiming refunds from the Government of Jersey Tax Office.

This procedure aims to provide help and reference to FNHC's Finance Team when required.

Scope

FNHC has been able to claim a GST refund incurred from the date of registration as a Jersey Charity.

Purchases and expenses qualifying for a GST refund must:

- have been supplied directly to the charity itself (not to a person who donates goods or services to the charity)
- have been paid for by the charity
- be directly for the administration or charitable activities of the charity (as defined in its articles, constitution, endowment or similar document)
- have been paid at the end date of the period being claimed for

Core Requirements/Procedure

Roles and responsibilities

Person preparing purchase invoices and expenses for payment, which includes any GST payable - this is normally the Accounts Payable Officer in Finance.

Approval of prepared purchase invoices - this is normally the Head / Director of Finance who is responsible for checking and approving the prepared purchase invoices which includes the GST payable.

Completion and submission of GST online application form on the Government of Jersey Website - this would normally be the Accounts Payable Officer.

Extract Data from Financial Ledgers (Business Central)

Undertaken quarterly (e.g. Jan 1 to Mar 31 see Appendix 1) for each calendar year.



Extract and check ledger postings form Business Central (BC) in Excel for the period claimed for GL account 5440.

Check there are no obvious errors in postings and check any large amounts.

In addition, confirm that all previous quarters' claims have been received to date, and chase up with the Government of Jersey Tax Office if not.

Check closing ledger balance

The closing balance amount at the end of the period claimed would normally be the amount to be claimed. However, note that if any previous GST claims have not yet been received these should not be included in the current periods claim total (see <u>Appendix 2</u>).

Complete and submit GST online reclaim form (see Appendix 3)

https://empret.jsytax.je/gstsecure/ITS GSTWebISERet.aspx

Save a PDF copy of the submitted return and an Excel file of the detailed individual ledger postings in the folder below:

Finance\16. Tax & GST\GST returns

Note - there is no bookkeeping to do at this stage.

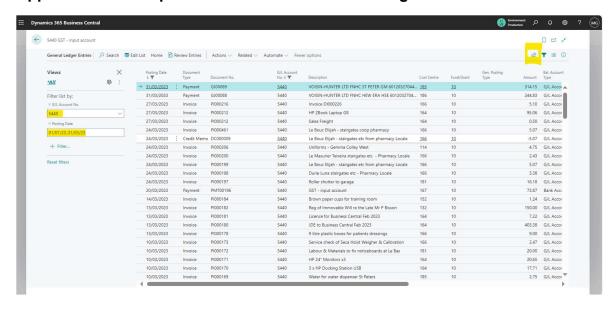
After a few weeks (within 30 days is stated on the Government Website), we should receive funds into the HSBC bank account from the Government of Jersey Tax Office for the amount claimed each quarter.

Upon receipt, the funds will then need to be debited to the HSBC bank account and credited to the GST Debtor GL 5440 in the BC general ledger.



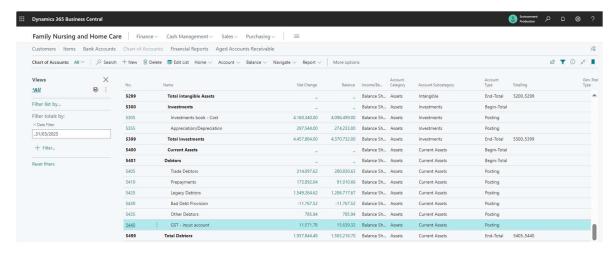
Appendices

Appendix 1 – Example of extract from Financial Ledgers





Appendix 2 - Checking closing ledger balance





Appendix 3 - Example of GST Claim Form

