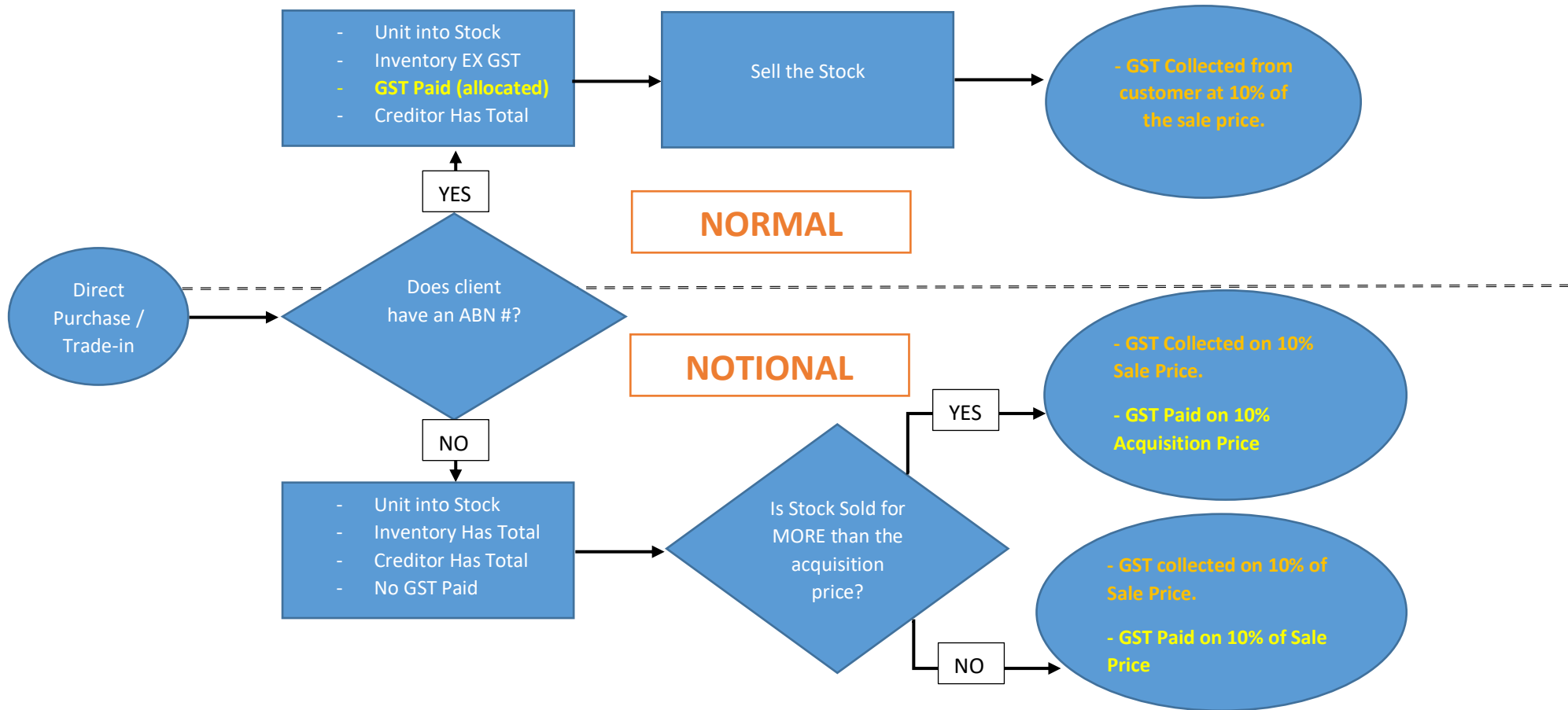


Notional Input Tax Credits Made Simple For Dealers



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1. When a dealer purchases a stock item from a non-ABN registered entity (a private individual), the dealer can't claim the GST on an acquisition until the stock is sold. This GST component of the acquisition is called a Notional Input Tax Credit (NITC).
2. If the stock item is sold for a loss, the GST credit is limited to the GST component of the sale price at the time of delivery.