

**TAX INTEGRITY: EXTENDING GST TO DIGITAL PRODUCTS AND OTHER SERVICES
IMPORTED BY CONSUMERS
Consultation on Proposed Amendments to Tax Laws**

Response from National & State Libraries Australasia
7 July 2015

National & State Libraries Australasia (NSLA) represents the ten National, State and Territory Libraries of Australia and New Zealand. These libraries work together under the [Leading Collaboration Strategic Plan](#), to achieve more through collaboration, delivering value for the people of Australia and New Zealand.

One part of the information infrastructure that our libraries provide for the public is access to online subscription databases. These are predominantly collections of journal articles that support research, business, innovation and education requirements for current high-quality specialist information.

Many of these products are international and NSLA Libraries negotiate and fund licenses to this material so that library users can access at no cost. For some products the Australian NSLA Libraries negotiate together as a consortium to maximise value and access. Some international database vendors are connected with Australia or have an Australian office. These already provide libraries with invoices that are inclusive of GST

This response notes that extending GST to digital products imported by consumers will not impact these arrangements for the following reasons:

1. The changes apply to supplies made to customers only, not to business-to-business transactions. The license negotiations undertaken by libraries for access to subscription databases is a business-to-business arrangement. Libraries are not the final consumer and they are not commercial distributors. [See [Section 1.34 of the Bill, Exposure draft, Explanatory material](#)]
2. The current exclusions applying for education services will also apply to the new measures. Libraries provide information from subscription databases to the community for education-related purposes. [See [Parliament of Australia, Applying GST to digital products and services imported by consumers](#)]

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Please note: Each of the ten NSLA member libraries works within different government jurisdictions. The National Library of New Zealand is part of the Department of Internal Affairs, a New Zealand government department. The views expressed in this letter should not be taken to reflect the views of the National Library of New Zealand nor of the New Zealand Government.