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The new GST refunds regime in Div 142 of the <i>A New Tax System (Goods and Services Tax) Act 1999</i> operates so as to restrict suppliers from recovering overpaid or over reported GST in circumstances where the burden of the excess amount has been “passed on” to recipients of supplies. The reforms followed years of uncertainty for the Commissioner and taxpayers in applying the previous restriction on GST refunds provision set out in s 105-65 of Sch 1 to the <i>Taxation Administration Act 1953</i> . The new regime includes a number of improvements, including a (qualified) input tax credit entitlement for recipients where the supplier has overcharged GST and is denied a refund under Div 142. Ongoing uncertainties include interpreting the meaning of “passed on” and the extent to which the High Court sales tax decision of <i>Avon Products Pty Ltd v Commissioner of Taxation</i> (2006) 230 CLR 356; [2006] HCA 29 will be applied in the GST context.	44

