

GST on Interest.

In [12.3] we dealt with the liability for GST on awards of pre-judgment interest. We expressed a preference for the decision of Hunter J in *Walter Construction Group Ltd v Walker Corporation Ltd* [2001] NSWSC 283, BC200102189 over that expressed by the Commissioner of Taxation in Draft GST Ruling 2000/G23. The Commissioner backed down and issued GST Determination 2003/1 which more or less accepts the decision in *Walter Construction*. According to this ruling GST is not payable on pre-judgment interest. Neither, according to the ruling, is it payable on post-judgment interest.

D I Cassidy QC.