

# GST Calculation in mattero

When GST is calculated on an Invoice, it may result in an amount with three decimal places.

This can occur on Invoices with either a single line item or multiple line items.

For example, on a single line item Invoice:

**Amount excluding GST**

\$199.99

**10% GST**

\$19.999

*Total*

\$219.989

In such cases, the [ATO requires](#) the GST amount be rounded to the nearest cent (rounding 0.5¢ upwards), creating this new result:

**Amount excluding GST**

\$199.99

**10% GST**

\$20.00

*Total*

\$219.99

For a multiple line item Invoice, the ATO provides [two different rules](#) for calculating GST: Total Invoice and Taxable Supply.

Either rule can be used for any multiple line item Invoice, and using one rule or the other can create a different final result.

The Total Invoice rule requires all line item amounts be added together and the GST to then be calculated on the total.

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For example:

| <b>Line Items</b> |                 |
|-------------------|-----------------|
| Correspondence    | \$226.46        |
| Court Attendance  | \$451.47        |
| Conference        | <u>\$322.07</u> |
|                   | \$1000.00       |

**10% GST**  
\$100.00

*Total*  
\$1100.00

In contrast, the Taxable Supply rule requires each line item's GST be calculated separately, then combined.

However, as each GST amount can only have two decimal points, any amount with three decimal points must be rounded. For this reason, the final amount may differ from the result found by applying the Total Invoice rule.

For example:

| <b>Line Items</b> |                 |
|-------------------|-----------------|
| Correspondence    | \$226.46        |
| Court Attendance  | \$451.47        |
| Conference        | <u>\$322.07</u> |
|                   | \$1000.00       |

**10% GST**

|                  |                                   |
|------------------|-----------------------------------|
| Correspondence   | \$22.646 (rounded \$22.65)        |
| Court Attendance | \$45.147 (rounded \$45.15)        |
| Conference       | <u>\$32.207 (rounded \$32.21)</u> |
|                  | \$100.01                          |

*Total*  
\$1100.01

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For this reason, when applying the Taxable Supply rule, the total GST amount on a multiple line Invoice may appear to be more than 10% of the Line Items' total.

However, Taxable Supply is the [rule used by Xero](#), a financial service [mattero integrates with](#). To maintain consistency across both systems, mattero must also implement this rule.