**Correction**: (action taken to resolve the issue identified)

We are not in agreement that this is a nonconformity. The GCT computations were correct because the GCT to be zero rated is based on the applicable tax rate of purchase order date. Furthermore, the GCT rate is applied to taxable value of the supplies

1. In determining the GCT to be zero rated, the taxable value was first determined in pursuant to Section 7 of the GCT Act, then the taxable value was multiplied with the applicable GCT rate. Hastings Primary School submitted purchase order (PO) # 455 dated 20/8/2021 with the supplier being Henderson Book Store TRN 000219762. The PO contained both taxable and non-taxable supplies, the taxable portion (denoted by a tick on the purchase order) was determined by subtracting the non-taxable supplies from the total supplies $55,654.46 - $21,922.00 = $33,732.46 x15% = $5,059.87. 2. Zero rating case #0-002-174-463 wherein Maldon High School submitted 2 sets of POs, the first PO numbering 2836,2837 and 2838 (3 pages) dated June 18, 2020, the supplier being Kensington Auto & Hardware TRN 002121123 with the total value of taxable supplies: $105,416 x 15% = $ 15,812.40. The applicable GCT rate on June 18, 2020 as per date of PO is 15% where the GCT rate reduced from 16.5% to 15% effective April 01, 2020. The second set numbering 2834 and 2835 (2 pages) dated August 30, 2019, the supplier being Kensington Auto & Hardware TRN 002121123 with the total value of taxable supplies: $84,918.00 x 16.5% = $14,011.47. The applicable GCT on August 30, 2019 as per date of PO is 16.5% where that GCT rate was effective from June 01, 2012 – March 2020.