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No. 99 2000–01

Import Processing Charges Bill 2000

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INFORMATION AND RESEARCH SERVICES

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Import Processing Charges Bill 2000

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Import Processing Charges Bill 2000

Date Introduced: 6 December 2000

House: House of Representatives

Portfolio: Justice and Customs

Commencement: The provisions outlined in this Digest commence on the day fixed for Proclamation for the proposed Customs Legislation Amendment and Repeal (International Trade Modernisation) Act 2000.

Purpose

To impose formally six import processing charges and set operative and maximum amounts for those charges. The proposed charges are:

- screening charge;
- self-assessed clearance declaration charge;
- import declaration processing charge;
- Requestion for Cargo Release processing charge;
- periodic declaration processing charge; and
- warehouse declaration processing charge.

Background

This Bill forms part of a package of three Bills which includes the Customs Legislation Amendment and Repeal (International Trade Modernisation) Bill 2000 and the Customs Depot Licensing Charges Amendment Bill 2000. The stated objective of this package is the modernisation of the way in which the Australian Customs Service manages the movement of cargo into and out of Australia.¹

The rationale for this Bill, as given by the Government in the Second Reading Speech to the Bill, is to:

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[I]ntroduce new cost recovery arrangements to support the proposed changes to the management and processing of cargo that are set out in the Customs Legislation Amendment and Repeal (International Trade Modernisation) Bill 2000.²

This Bill replaces the *Import Processing Charges Act 1997* which is being repealed by the proposed Customs Legislation Amendment and Repeal (International Trade Modernisation) Bill 2000.

The Government's Explanatory Memorandum to the Bill contains a financial impact statement which submits that this Bill, in combination with the other two Bills in the package, will result in a decrease in costs for the Australian Customs Service in the first year of full operation of approximately \$3.0 million and \$2.56 million and \$1.92 million in following years.

Main Provisions

Definitions

The term 'import processing charge' is defined by **clause 3** to mean any of the following:

- screening charge;
- self-assessed clearance declaration charge;
- import declaration processing charge;
- Request for Cargo Release (RCR) processing charge;
- periodic declaration processing charge; and
- warehouse declaration processing charge.

Imposition of import processing charges

Clause 4 imposes formally the following taxes payable as set out in the Customs Act 1901 as amended by the proposed *Customs Legislation Amendment and Repeal (International Trade Modernisation) Act 2000*:

- screening charge;
- self-assessed clearance declaration charge;
- import declaration processing charge;

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- RCR processing charge;
- periodic declaration processing charge; and
- warehouse declaration processing charge.

Amount of Import Processing charges

Clause 5 sets out the operative and maximum amounts which may be imposed with respect to the taxes imposed by clause 4. The proposed amounts are:

- screening charge – \$45 or a prescribed amount up to \$67.50;
- self-assessed clearance declaration charge for a cargo report – \$45 for 21 or more reportable documents, or a prescribed amount up to \$67.50. The proposed tax for less than 21 reportable documents is \$2.15 or a prescribed amount up to \$3.23;
- electronic import declaration processing charge – \$23.20 where the value of the goods is more than \$250 (or a prescribed amount) but less than \$1000 (or a prescribed amount), or a prescribed amount up to \$34.80. The proposed tax on goods worth more than \$1000 (or a prescribed amount) is \$29.25 or a prescribed amount up to \$43.85;
- documentary import declaration processing charge – \$60.00 or a prescribed amount up to \$90.00;
- periodic declaration processing charge – \$1,275 or a prescribed amount up to \$1912.50;
- RCR processing charge – \$9.40 or a prescribed amount up to \$14.10; and
- electronic warehouse declaration processing charge – \$23.20 where the value of the goods is more than \$250 (or a prescribed amount) but less than \$1000 (or a prescribed amount), or a prescribed amount up to \$34.80. The proposed tax on goods worth more than \$1000 (or a prescribed amount) is \$29.25 or a prescribed amount up to \$43.85.

Endnotes

- 1 Customs Legislation Amendment and Repeal (International Trade Modernisation) Bill 2000, *Explanatory Memorandum*, p. 5.
- 2 Import Processing Charges Bill 2000, *Second Reading Speech*.

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