

SENATE STANDING COMMITTEE ON LEGAL AND CONSTITUTIONAL AFFAIRS
AUSTRALIAN CUSTOMS SERVICE

Question No. 56

Senator Ludwig asked the following question at the hearing on 13 February 2007:

Accredited Client Program

With reference to previous evidence given to hearings of the Senate's Legal and Constitutional Affairs Committee:

- a) Could Customs indicate how many options of the Accredited Client Program were referred to Treasury for costing as part of the 2004 budget process that examined the original ACP which included duty deferral?
- b) With reference to the following items of legislation:
Customs Legislation Amendment Act (No. 2) 1999
Customs Legislation Amendment and Repeal (International Trade Modernisation) Bill 2001
Customs Legislation Amendment (Border Compliance and Other Measures) Bill 2006
 - i) Could Customs indicate whether the legislation contains any provisions that would potentially impact upon Commonwealth revenue
 - ii) If so, could Customs identify the provisions and provide a brief explanation of how they might impact upon revenue.
- c) Could Customs indicate whether the provisions mentioned in response to part (b) or any other provisions contained in the legislation were referred to the Treasury for costing?
 - a. If so, which provisions were referred?

If not, why not?

The answer to the honourable senator's question is as follows:

- (a) The Government's decision reported in the 2005-06 Budget Papers was to introduce an Accredited Client Program that did not have impact on revenue. The Government does not generally provide details of costings of alternative proposals that may or may not have been considered in the policy development process.
- (b)(i) The *Customs Legislation Amendment Act (No.2) 1999* amended the Customs Act 1901 to provide a head of power to enable deferral of customs duty. Section 132AA, among other things, provides that regulations may provide for the time by which duty on goods must be paid (other than at the time of entry of the goods for home consumption). Such regulations have not been made as there has been no Government decision on this matter, other than that reported in the 2005-06 Budget (Budget Paper No.2, Part 1, page 9), which has been implemented through the *Customs Legislation Amendment (Border Compliance and Other Measures) Act 2007*.
- (b)(ii) See answer to Question (a). The Government's decision reported in the 2005-06 Budget Papers was to introduce an Accredited Client Program that did not have impact on revenue.
- (c) See answer to Question (a) above.