

SENATE STANDING COMMITTEE ON LEGAL AND CONSTITUTIONAL AFFAIRS
AUSTRALIAN CUSTOMS SERVICE

Question No. 44

Senator Trood asked the following question at the hearing on 26 May 2008:

Did the Passenger Movement Charge recover all of the costs of the Customs, Immigration and Quarantine processing and the cost of issuing short-term visas?

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

The Passenger Movement Charge (PMC) was initially implemented to offset some of the costs of Australian Customs Service (Customs), Department of Immigration and Citizenship (immigration), and the Australian Quarantine and Inspection Service (quarantine) processing of international passengers at international airports and maritime ports, and the issuing of short-term visas.

The PMC was reclassified as a tax in the 2005-06 Mid Year Economic and Fiscal Outlook, based on Australian Bureau of Statistics classifications.

The PMC is a cost recovery levy imposed under a taxation law (the *Passenger Movement Charge Act 1978*), rather than a fee for service levy.

Revenue raised by the PMC is paid into Consolidated Revenue, as are other tax receipts, and is not hypothecated to Customs, immigration or quarantine.