SENATE STANDING COMMITTEE ON LEGAL AND CONSTITUTIONAL AFFAIRS AUSTRALIAN CUSTOMS SERVICE

Question No. 84

Senator Ludwig asked the following question at the hearing on 31 October 2006:

With regard to Question 89 taken on notice at the 2006-07 Budget Estimates hearing on 25 May 2006: Could Customs provide a reconciliation of the volumes included in its response to part (a) of the question, that being the table in schedule (a) of Attachment 1, with the projected \$6 million reduction in GST collections mentioned in Customs response to part (c).

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

The volumes included in the response to part (a) relate to the volume of entries processed during the 2004-05 financial year that fell below the \$1,000 threshold. These entry numbers were used as the basis to estimate the impact of the adjustments to the low volume threshold on the Import Processing Charge (IPC) revenue. They were not used to estimate the reductions in GST collections and would not be reconcilable to that estimate.