



EXPORT CONCESSIONS

DUTY DRAWBACK SCHEME

Australia's Duty Drawback Scheme, administered by Customs and Border Protection, assists industries operating overseas. The scheme enables exporters to obtain a refund of customs duty paid on imported goods where those goods are exported unused since importation, or are treated, processed, or incorporated into other goods for export.

You are eligible to make a claim for duty drawback if you are the legal owner of the goods at the time the goods are exported, or a previous owner has assigned this right to you.

Once goods are exported you have four years to lodge your claim. The minimum claim per application is A\$100.

TOBACCO / TOBACCO PRODUCTS

On 9 November 2012 Customs and Border Protection introduced additional controls regarding the claiming of a duty drawback on tobacco products. These new requirements include notifying Customs and Border Protection (at TobaccoDrawbacks@customs.gov.au) before exporting to allow reasonable time for a possible examination of the tobacco goods to be exported. In addition, the time period in which to claim duty drawback on tobacco products has been reduced to 12 months from the date of export.

CLAIMING DUTY DRAWBACK

You are not required to submit any documents with your application but if requested, you should be able to provide evidence that goods subject to the claim were:

- originally duty paid,
- not used in Australia, and
- exported.

You are required to keep all documentation for a minimum of five (5) years.

Duty drawback is available on most goods. However, it cannot be claimed where:

- goods have been used in Australia other than for the purposes of exhibition, processing, treatment or further manufacture or
- the value of the goods at exportation is not greater than 25 per cent of their imported value or
- the import duty paid on the goods has been refunded.

LODGING YOUR CLAIM

You can claim duty drawback via a manual claim form or by using the electronic claim functionality in the Integrated Cargo System (ICS). Further information on how to use the ICS to lodge your claim can be accessed via the user support manual on the Customs and Border Protection website www.customs.gov.au then select *Import/Export > Exporting goods > Facilitation and concession Schemes*.

Manual claims for duty drawback must be lodged on the 'Claim for Drawback' Form (B807). You can download the claim for drawback form from the Customs and Border Protection website www.customs.gov.au.

An Australian Business Number (ABN) is used to identify duty drawback claimants. If you do not have an ABN, you will need to provide sufficient personal details to enable Customs and Border Protection to issue you with a Customs Client Identifier (CCID).

You will need an Export Declaration Number (EDN) as evidence of export for each line you are claiming duty drawback. All consignments sent by post/sea/air that are intended for drawback are regarded as prescribed goods and need to be entered for export regardless of the value.

If you intend to claim drawback on tobacco or tobacco products, you will need to notify Customs and Border Protection before exporting to allow reasonable time for a possible examination of the tobacco goods to be exported. You can do this by emailing details of the consignment to TobaccoDrawbacks@customs.gov.au.

CALCULATING THE DUTY DRAWBACK CLAIM AMOUNT

Duty drawback claims are processed on the basis of self-assessment. As the claimant, you are responsible for selecting the calculation method and calculating the amount of duty drawback to be claimed using one of the three calculation methods below.

It is important to note that regardless of the method used, the amount of a claim for drawback of import duty must not exceed the amount of duty paid when the goods were imported.

The three calculation methods are:

- a. Shipment by shipment basis** – for use where imports directly relate to exports.
- b. Representative or Averaging shipment basis** – is generally used for high volume low value goods. A representative shipment for a period is picked as a typically representative sample of the values of identical items. The averaging of shipments is costed over time and must not result in an over-claim.
- c. Imputation method** – for use where import documents are generally unavailable. Using this method, the import value for the purposes of calculating duty drawback is imputed to be 30 per cent of the purchase price of the goods. This option can only be used where goods are fully imported and have been purchased in Australia by the exporter.

Please note: there is no refund of GST through a duty drawback claim

GST cannot be refunded through a claim for duty drawback. Importers registered by the Australian Taxation Office (ATO) for GST purposes may be entitled to an input tax credit on creditable importations. The input tax credit is claimed via the Business Activity Statement (BAS).

For further information on GST or for enquiries regarding drawback of excise duty, contact the ATO on 13 28 66.

PROCESSING AND PAYING YOUR CLAIMS

Customs and Border Protection will pay your duty drawback amount by Electronic Funds Transfer (EFT). Therefore you will need to provide your bank details when completing the drawback claim or lodging your claim in the ICS.

Customs and Border Protection staff in Melbourne process claims for duty drawback. Completed claim forms can be facsimiled to 03 92448440, emailed to drawbacks@customs.gov.au or mailed to:

Duty Drawback Section
Trade Policy and Implementation Branch
Australian Customs and Border Protection Service
GPO Box 2809
Melbourne Victoria 3001

For further information on duty drawbacks, contact Customs and Border Protection on 1300 304 322 Monday to Friday between 8.30am to 5pm (Eastern Standard Time) or email: drawbacks@customs.gov.au.

AusIndustry – Tradex scheme

There is an alternative Government scheme (known as Tradex and administered by AusIndustry) that allows an importer to gain an up-front exemption from customs duty and GST on imported goods that are intended for export.

This Scheme can provide significant cash flow advantages for any importer that meets the criteria.

For further information about Tradex, contact the AusIndustry hotline on 132 846, email hotline@ausindustry.gov.au or browse the website www.ausindustry.gov.au.

Please note

This information is intended as a guide only. Full details on the operation of the Duty Drawback Scheme are contained in the Customs Act 1901 and associated regulations.

FOR MORE INFORMATION

For information on any Customs matter, contact the Customs Information and Support Centre on 1300 363 263 or email information@customs.gov.au or browse the website www.customs.gov.au