

## FACT SHEET

### ARE YOU ELIGIBLE FOR AN IMPORT TARIFF REFUND?

**The information contained in this fact sheet is a guide only and you should seek independent expert advice to determine whether you are eligible for a refund.**

#### WHAT ARE IMPORT DUTIES?

When you import goods into Australia you are required to provide a detailed description of the items to determine their correct classification so Australian Customs can determine the amount of import duty, if any, you are required to pay on those items.

Customs import duty and indirect taxes are collected through the Integrated Cargo System (ICS) on a full import declaration (FID), self-assessed clearance (SAC), or periodic return (return), which you submit prior to or at the time of importing.

#### AM I ELIGIBLE FOR A REFUND?

There are many reasons why you may be entitled to a refund of customs duties paid. The most common reasons are that the goods were incorrectly classified, or concessions such as existing free trade agreements weren't included at the time of import.

A person may be entitled to a customs duty refund under Section 163 of Customs Act for some or all of the money paid on imported goods if meet any one of the circumstances described in the Customs Regulations 126 provided below

Common circumstances include:

- Revision of goods classification and changes to the import entry for those goods;
- The goods have deteriorated or been damaged, lost, stolen or destroyed before being exported from their point of origin and arriving in Australia or while waiting for Customs clearance;
- The goods have been damaged or destroyed while undergoing treatment required to meet provisions of the Quarantine Act, such as fumigation;
- Goods with a Certificate of Origin from specific countries which have Free Trade or Developing Country Agreements with Australia including US, ASEAN, Chilean & NZ.

You can view the full regulations at:

<http://www.comlaw.gov.au/Details/F2014C00951>

A summary of these circumstances is included below.

### HOW CAN I CHECK THAT PREVIOUS IMPORTS WERE CORRECTLY CLASSIFIED?

There are many factors that are included in the calculation of the correct tariff classification for goods, which can include the country of origin as well as the physical description of the items.

A licensed customs broker can advise you on the best classification for your items and any concessions that may apply, or you can review the full Working Tariff online, including applicable concessions & trade agreements at <http://www.customs.gov.au/tariff/tariff.asp>

### HOW DO I CLAIM A REFUND?

The “owner” of the goods may apply for a refund by making amendments to the full import declaration under which the goods were cleared into Australia.

Most often these amendments are lodged by licensed customs brokers on your behalf, but you are able to complete the process yourself by completing a Refund Application form (B653). This form is available at <http://www.customs.gov.au/site/page4288.asp>.

You will need to supply

- Copy of Import Declaration, Invoice & Shipping documents such as B/L
- Documentation to support claim (ie, Certificate of Origin, Technical Data Sheets etc..)

### WHO IS THE “OWNER” OF THE GOODS?

It’s important you make sure you are shown as the “owner” of the goods on the original import declaration documents before you make a refund claim.

Often importers enter into a purchase agreement with an overseas supplier that includes all importation costs and delivery of the goods to the purchaser. In this instance the original supplier will be the one who lodges the import declaration documentation and will be listed as the “owner” at the time of importation, therefore they are eligible for any refund that may apply.

### HOW LONG DO I HAVE TO MAKE A CLAIM?

Generally you have a period of four years from the date of import to apply for a refund. This timeframe certainly applies for reclassification of goods.

For goods that are damaged, destroyed or deteriorated you generally need to lodge a refund application within 14 days of the goods being released from Customs or Quarantine, or notification of damage from the supplier or agents in the country of origin.

It is important to check regulations carefully around the Free Trade Agreements and ensure your goods are correctly classified and meet the time frames these agreements have been in place.

#### CAN I GET HELP?

The Australian Customs and Border Protection Service and the Department of Agriculture provide accreditation and licenses to private Customs Brokers so that they may assist businesses in navigating the complicated processes of importing goods into Australia.

Clarke Global Logistics is a licensed Customs Broker and has accreditation through the Department of Agriculture to advise on and oversee the process.

#### FOR ASSISTANCE AND ADVICE PLEASE CONTACT US.

##### **CLARKE GLOBAL LOGISTICS**

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## SUMMARY OF CIRCUMSTANCES - CUSTOMS REGULATION 126

<b>Regulation</b>	<b>Description</b>
126(1)(a)	The goods have deteriorated or been damaged, lost or destroyed after being received at the place of export and before the goods became subject to Customs control.
126(1)(b)	The goods have deteriorated or been damaged or destroyed while subject to Customs control.
126(1)(c)	The goods have been lost while subject to Customs control, or stolen after being received at the place of export and before leaving customs control.
126(1)(d)	The goods have deteriorated or been damaged under quarantine treatment after directly leaving Customs control.
126(1)(da)	The import entry in relation to the goods is withdrawn under section 71F of the Act and the amount of duty specified in the import entry has been paid.
126(1)(e)	Duty has been paid through manifest error of fact or patent misconception of the law.
126(1)(eaa)	Goods are liquefied petroleum gas, liquefied natural gas or compressed natural gas.
126(1)(ea)	A decision has been reviewed by the Administrative Appeals Tribunal which held that the amount of duty payable (if any) is less than the amount of duty paid.
126(1)(eb)	There is a reduction of the duty payable on goods entered for home consumption on which duty has been paid in consequence of a Customs Tariff alteration or an amendment of the Customs Tariff Act 1995.
126(1)(f)	After duty has been paid, a by-law or determination has been made, or a Commercial Tariff Concession Order has been made, the effect of which is that duty is not payable, or duty is payable at a rate that is less than the rate that was applicable when the goods were entered for home consumption.
126(1)(fa)	The price of the goods, used in determining the Customs value, had a rebate of or other decrease which was not taken into account in determining the Customs value [other than for 126(1)(g)].
126(1)(g)	The goods are re-valued because of fault or defect in the goods, or because the goods did not conform to contract specifications given by the importer to the manufacture or supplier, which resulted in a rebate or decrease in the price which accrues to the importer and the rebate or decrease was not taken into account in determining the Customs value of the goods.
126(1)(h)	The goods are re-valued as 'g' but there is no rebate or decrease to the importer from the supplier, and all reasonable attempts at redress must have been sought.
126(1)(p)	Duty has been paid on petrol and that petrol, in whole or in part, is returned to a warehouse or to a manufacturer.
126(1)(r)	Duty has been paid on goods that were first entered for home consumption at a time when a tariff concession order, made in respect of those goods, was in force or was taken to have come into force.
126(1)(ra)	The interim duty paid is more than the interim duty payable.
126(1)(w)	Dumping duty was paid on the goods and the goods were subsequently exported.
126(1)(x)	Duty has been paid on a new or unused passenger motor vehicle that was used for evaluation/testing and then donated to an education institution.
126(1)(y)	Duty has been paid on an automotive component that is donated to an education institution.
126(1)(za)	Duty is payable on goods that are liquefied natural gas and are not intended for use in an internal combustion engine in either a motor vehicle or vessel.
126(1)(zb)	Duty is payable on goods that are liquefied petroleum gas and are not intended for use in an internal combustion engine in either a motor vehicle or vessel.
126A	The import entry relating to the goods is taken to be withdrawn under subsection 71F(2) of the Act because the person has changed the information in the entry.
126B	Duty has been paid on Thai originating goods (Australia-Thai Free Trade Agreement).
126C	Duty has been paid on Chile originating goods (Australia-Chile Free Trade Agreement).
126D	Duty has been paid on AANZ originating goods (ASEAN-Australia-New Zealand Free Trade Agreement).
126DA	Duty has been paid on Malaysian originating goods (Australia-Malaysia Free Trade Agreement)