

# Australian Customs Notice 2000 14

## DEFERRAL OF GST ON IMPORTED GOODS

The Assistant Treasurer has announced details of arrangements to allow importers to defer the payment of GST on imported goods.

The Deferred GST Scheme provides for GST to be deferred until the first Business Activity Statement (BAS) is due after the goods are entered for home consumption. These arrangements are designed to put importers on an equal footing, in regard to the payment of GST by a registered business on imported goods, compared with goods obtained locally.

### What is the scope of the scheme?

Deferral of GST on imported goods will extend to all importations that are entered for home consumption. (Nature 10 and Nature 30 entries). Goods imported under the TEXCO scheme and the proposed TRADEX scheme that are diverted into home consumption, are excluded from the scheme. Low value imports cleared on informal clearance documents will also be excluded.

### Who is eligible to defer GST?

Importers will only be eligible to defer GST if they:

- have an Australian Business Number;
- are registered for the GST;
- lodge their BAS monthly, via the Internet-based, e-commerce system operated by the Australian Taxation Office (ATO);
- pay their BAS liabilities electronically;
- deal with Customs electronically;
- as a general rule, do not have any debt or returns outstanding with the ATO;
- have received approval in writing from the ATO to defer payment of GST.

### How will the GST deferral scheme operate?

After 1 July 2000, importers will quote their Australian Business Number to Customs when they enter goods for home consumption.

If the importer has been given approval to defer GST, Customs will release the goods after payment of any customs duty or other charges. Customs will record the deferred GST liability of each shipment as it is cleared.

At the end of each month, Customs will advise the ATO of the total deferred GST liability for each importer who deferred GST.

The ATO will include the amount of deferred GST on the BAS before it is issued to each participant. In this way, the amount of deferred GST liability is included in the calculation of net liability in the BAS for the month.

The BAS must be lodged with the ATO within 21 days from the end of the month. Importers will be able to offset the deferred GST liability by claiming an input tax credit to the extent that the imported goods are used in carrying on an enterprise.

### Need more information?

Details of the arrangements can be obtained by contacting the Deferred GST Scheme Helpline 1300 130 915.

### How to apply to participate in the scheme?

Importers can apply to participate on-line on the ATOAssist web site located at [www.ato.gov.au](http://www.ato.gov.au).

P G Burns National Director Commercial Division For the Chief Executive Officer 31 March 2000