AUSTRALIAN CUSTOMS NOTICE NO. 2007/57

Amendments to the *Customs Regulations 1926* - expanding the range of goods that can be sold in an inwards duty free shop

The purpose of this Notice is to advise of changes to the *Customs Regulations 1926* expanding the range of goods that can be sold in an inwards duty free shop.

The amended regulations remove the restrictions on the range of goods that can be sold in inwards duty free shops. Previously only eight classes of goods including alcoholic liquor, tobacco products, photographic film and perfumes could be sold in an inwards duty free shop.

It is important to note that this regulation amendment makes no changes to the passenger concession amounts. This means that whatever is actually purchased by inward passengers from the expanded range of goods at inwards duty free shops will still be added to their outwards duty free and overseas purchases for the purposes of calculating a passenger's duty concession entitlement. If any of the passenger concessions are exceeded, Customs will charge duty and tax on the entire importation or purchase within that group of items. The current passenger concession amounts are set out at the end of this notice.

The amendment allows for goods to be sold in an inwards duty free shop that meet the following criteria:

(a) alcoholic beverages;
(b) tobacco products; and
(c) goods which have all of the following characteristics:
    (i) no more than $900 in value;
    (ii) no more than 7kg in weight;
    (iii) no more than 56cm in length, 36cm in height and 23cm in depth.

The $900 value restriction on an individual item has been specified as it is identical to the current duty free concession for general goods for an individual traveller. The size and weight restriction on an individual item has been imposed so that a traveller is able, on arrival, to access goods that they may otherwise have purchased overseas and brought in hand luggage to Australia.

The following goods are excluded from the goods that can be sold in an inwards duty free shop:

(a) alcoholic beverages that are not in sealed containers;
(b) food and beverages which are capable of immediate consumption, other than commercially produced confectionery which is in sealed packaging and alcoholic beverages that are in sealed containers;
(c) fresh or dried fruits;
(d) fresh or dried vegetables;
(e) live plants; and
(f) fresh or dried cut flowers.

The purpose of these exclusions is to retain existing quarantine controls and to prevent inwards duty free shops selling food and beverages such as sandwiches, hot food, alcoholic beverages in glasses and other food and beverages which could be consumed immediately.

The current passenger concessions, which remain unchanged, are as follows:

Group 1 - general
A$900 worth of goods (A$450 for people under 18 and both air and sea crew members) including gifts (given to you or intended for others), souvenirs, cameras, electronic equipment, leather goods, perfume concentrates, jewellery, watches and sporting equipment. Alcohol and tobacco products cannot be included in this concession.
These goods can be:

- obtained overseas
- purchased in Australia duty or tax free before departure
- goods for which a tax refund has been approved through the Tourist Refund Scheme
- purchased from an inwards duty free shop on arrival

Group 2 - alcohol
2.25 litres of alcoholic beverages for each passenger aged 18 years or over.

Group 3 - tobacco
250 cigarettes or 250 grams of cigars or tobacco products for each passenger aged 18 years or over. One opened packet containing 25 cigarettes or less is also allowed.

Inquiries regarding this notice may be directed by e-mail to Compliance1@customs.gov.au

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for
Chief Executive Officer

October 2007