



## DEPARTMENT OF IMMIGRATION AND BORDER PROTECTION NOTICE

No.2017/20

### ***Indexation of customs duty rates on excise-equivalent goods on 1 August 2017***

This notice sets out the new customs duty rates for certain excise-equivalent goods, including spirits, beers and fuel products, operative from 1 August 2017.

Section 19 of the *Customs Tariff Act 1995* (Customs Tariff), provides for customs duty rates for certain excise-equivalent goods to be indexed biannually, in February and August, to the Consumer Price Index (CPI). The new rates are determined by the application of an indexation factor. This indexation factor is calculated by dividing the most recent June or December Quarter CPI number by the previous highest June or December Quarter CPI number occurring after the June 1983 Quarter.

On 26 July 2017, the Australian Bureau of Statistics released the June 2017 Quarter figure (110.7).

The figures used to calculate the indexation factor for August 2017 are set out in the table below:

Most recent CPI number	Highest previous June or December Quarter	Indexation factor
June Quarter 2017	December Quarter 2016	
110.7	110.0	1.006

As the indexation factor for August 2017 (1.006) is greater than one, certain rates of customs duty for excise-equivalent goods, in Schedule 3 to the Customs Tariff, will be increased by the application of this factor.

The rates of customs duty for excise-equivalent goods, operative from 1 August 2017, are set out in Table 1 and supersede the rates outlined in the Department of Immigration and Border Protection Notice 2017/02.

The rates referenced above also apply to goods subject to indexation in:

- Schedule 5 (US originating goods)
- Schedule 6 (Thai originating goods)
- Schedule 7 (Chilean originating goods)
- Schedule 8 (ASEAN-Australia-New Zealand originating goods)
- Schedule 9 (Malaysian originating goods)
- Schedule 10 (Korean originating goods)
- Schedule 11 (Japanese originating goods) and
- Schedule 12 (Chinese originating goods) in the Customs Tariff.

The Department of Immigration and Border Protection (the Department) will arrange for the publication of a Notice of Substituted Rates of Customs Duty for excise-equivalent goods (No.3) 2017 in the *Gazette*.

The Australian Taxation Office (ATO) will make equivalent changes to the rates of duty on excise goods. Further information can be found on the ATO website via the following links: [ato.gov.au/alcoholexciserates](http://ato.gov.au/alcoholexciserates) and [ato.gov.au/fuelexciserates](http://ato.gov.au/fuelexciserates).

Please direct any inquiries concerning these matters to the following contacts:

for customs duty rates

Assistant Director  
Trade Policy  
Department of Immigration and Border  
Protection  
5 Chan Street  
BELCONNEN ACT 2615  
Ph: (02) 6264 2143

for excise duty rates

Senior Director  
Indirect Tax, Revenue Performance,  
Intelligence and Effectiveness  
Australian Taxation Office  
21 Genge Street  
CANBERRA ACT 2600  
Ph: (02) 6216 1397

The Department will update the Online Tariff available on the Department's website prior to the commencement of the new rates.

(Signed)  
Joshua Hutton  
Acting Assistant Secretary  
Trade and Customs Branch  
27 July 2017

**TABLE 1: CUSTOMS TARIFF ACT 1995 - TARIFF SUBHEADINGS AFFECTED BY 1 AUGUST 2017 CPI INDEXATION**

<u>Customs Tariff Subheading</u>	<u>New Customs Duty Rate for Excise-Equivalent Goods</u>
2203.00.61 2206.00.74	\$41.95 per litre of alcohol, calculated on that alcohol content by which the percentage by volume of alcohol of the goods exceeds 1.15
2203.00.62 2206.00.75	\$48.86 per litre of alcohol, calculated on that alcohol content by which the percentage by volume of alcohol of the goods exceeds 1.15
2203.00.69 2206.00.78	\$48.86 per litre of alcohol, calculated on that alcohol content by which the percentage by volume of alcohol of the goods exceeds 1.15
2203.00.71 2206.00.82	\$8.39 per litre of alcohol, calculated on that alcohol content by which the percentage by volume of alcohol of the goods exceeds 1.15
2203.00.72 2206.00.83	\$26.28 per litre of alcohol, calculated on that alcohol content by which the percentage by volume of alcohol of the goods exceeds 1.15
2203.00.79 2206.00.89	\$34.42 per litre of alcohol, calculated on that alcohol content by which the percentage by volume of alcohol of the goods exceeds 1.15
2203.00.91 2206.00.14 2203.00.99 2206.00.92 2206.00.13 2206.00.99	\$82.76 per litre of alcohol
2204.10.23 2206.00.23 2204.10.29 2206.00.24 2204.10.83 2206.00.52 2204.10.89 2206.00.59 2204.21.30 2206.00.62 2204.21.90 2206.00.69 2204.22.30 2207.10.00 2204.22.90 2208.20.90 2204.29.30 2208.30.00 2204.29.90 2208.40.00 2205.10.30 2208.50.00 2205.10.90 2208.60.00 2205.90.30 2208.70.00	\$82.76 per litre of alcohol, plus customs duty where applicable

<b><u>Customs Tariff Subheading</u></b>	<b><u>New Customs Duty Rate for Excise-Equivalent Goods</u></b>
2205.90.90 2208.90.20 2206.00.21 2208.90.90 2206.00.22	\$82.76 per litre of alcohol, plus customs duty where applicable
2208.20.10	\$77.30 per litre of alcohol, plus customs duty where applicable
2207.20.10 2710.91.69 2707.10.00 2710.91.70 2707.20.00 2710.91.80 2707.30.00 2710.99.16 2707.50.00 2710.99.22 2709.00.90 2710.99.28 2710.12.62 2710.99.51 2710.12.69 2710.99.52 2710.12.70 2710.99.53 2710.19.16 2710.99.62 2710.19.22 2710.99.69 2710.19.28 2710.99.70 2710.19.51 2710.99.80 2710.19.52 2902.20.00 2710.19.53 2902.30.00 2710.19.70 2902.41.00 2710.20.00 2902.42.00 2710.91.16 2902.43.00 2710.91.22 2902.44.00 2710.91.28 3817.00.10 2710.91.51 3824.99.30 2710.91.52 3824.99.40 2710.91.53 3826.00.10 2710.91.62 3826.00.20	\$0.403 per litre of petroleum fuels including diesel, ethanol and biodiesel, and blends thereof, plus customs duty where applicable
2711.11.00	\$0.276 per kilogram of liquefied natural gas
2711.21.10	\$0.276 per kilogram of compressed natural gas
2711.12.10 2711.13.10	\$0.132 per litre of liquefied petroleum gas

**TABLE 2: EXCISE TARIFF ACT 1921 - EXCISE ITEMS AFFECTED BY 1 FEBRUARY 2017 CPI INDEXATION**

<u>Excise Tariff Item/ Subitem</u>	<u>New Rates of Excise Duty Operative from 1 February 2017</u>
<b>1</b>	<b>Beer</b>
1.1	\$41.95 per litre of alcohol, calculated on that alcohol content by which the percentage by volume of alcohol of the goods exceeds 1.15
1.2	\$8.39 per litre of alcohol, calculated on that alcohol content by which the percentage by volume of alcohol of the goods exceeds 1.15
1.5	\$48.86 per litre of alcohol, calculated on that alcohol content by which the percentage by volume of alcohol of the goods exceeds 1.15
1.6	\$26.28 per litre of alcohol, calculated on that alcohol content by which the percentage by volume of alcohol of the goods exceeds 1.15
1.10	\$48.86 per litre of alcohol, calculated on that alcohol content by which the percentage by volume of alcohol of the goods exceeds 1.15
1.11	\$34.42 per litre of alcohol, calculated on that alcohol content by which the percentage by volume of alcohol of the goods exceeds 1.15
1.15	\$2.95 per litre of alcohol, calculated on that alcohol content by which the percentage by volume of alcohol of the goods exceeds 1.15
1.16	\$3.41 per litre of alcohol, calculated on that alcohol content by which the percentage by volume of alcohol of the goods exceeds 1.15
<b>2</b>	<b><i>Other excisable beverages not exceeding 10% by volume of alcohol</i></b>
2	\$82.76 per litre of alcohol
<b>3</b>	<b><i>Spirits; Other excisable beverages exceeding 10% by volume of alcohol</i></b>
3.1	\$77.30 per litre of alcohol
3.2	\$82.76 per litre of alcohol
3.10	\$82.76 per litre of alcohol

<b>10</b>	
10.1	\$0.403 per litre of petroleum condensate
10.2	\$0.403 per litre of stabilised crude petroleum
10.3	\$0.403 per litre of crude petroleum oil
10.5	\$0.403 per litre of gasoline (other than for use as fuel in aircraft)
10.7	The amount of duty worked out under section 6G (using \$0.403 per litre at step 3 at 6G)
10.10	\$0.403 per litre of diesel
10.12	The amount of duty worked out under section 6G (using \$0.403 per litre at step 3 at 6G)
10.15	\$0.403 per litre of heating oil
10.16	\$0.403 per litre of kerosene (other than for use as fuel in aircraft)
10.18	\$0.403 per litre for fuel oil
10.19A	\$0.132 per litre of liquefied petroleum gas, other than liquefied petroleum gas exempted from excise by section 77HB of the <i>Excise Act 1901</i>
10.19B	\$0.276 per kilogram of liquefied natural gas, other than liquefied natural gas exempted from excise duty by section 77HB of the <i>Excise Act 1901</i>
10.19C	\$0.276 per kilogram of compressed natural gas, other than compressed natural gas exempted from excise duty by section 77HA of the <i>Excise Act 1901</i>
10.20	the rate of duty worked our under section 6H
10.21	the rate of duty worked our under section 6J
10.25	\$0.403 per litre of liquid aromatic hydrocarbons consisting principally of benzene, toluene or xylene or mixtures of them, other than goods not covered by section 77J of the <i>Excise Act 1901</i>
10.26	\$0.403 per litre of mineral turpentine, other than goods covered by section 77J of the <i>Excise Act 1901</i>
10.27	\$0.403 per litre of white spirit, other than goods covered by section 77J of the <i>Excise Act 1901</i>
10.28	\$0.403 per litre of petroleum products, other than blends, not elsewhere included, other than goods covered by section 77J of the <i>Excise Act 1901</i>
10.30	the amount of duty worked out under section 6G (using \$0.403 per litre at step 3 at 6G)