



## Guidelines for Lodgement of Tariff Advices

### Why Seek Tariff Advice?

Where the classification of goods is uncertain or eligibility for a Tariff Concession Order (TCO) is not clear, a broker, forwarder or importer may seek a Tariff Advice from Customs. The resulting Tariff Advice giving the classification of the goods will be recognised by Customs for five years from the date of application - unless voided earlier.

### New Tariff Advice Application Requirements

Applicants should be aware that Customs now seeks greater detail about the goods. While format changes to reflect this requirement will be made to the manual version of the Tariff Advice form in the near future, comparable changes to the electronic form will be delayed due to systems workload. Pending these changes coming into effect, applicants should use the “*Goods Description*” and “*Claimed Reasons*” headings in the existing form to provide the details outlined below:

#### **“Goods Description”**

Under this heading, applicants must first identify the goods and then provide a full description of the goods.

#### **a) Identification of Goods**

The correct identification of the goods determines the tariff classification.

*Information for possible inclusion:*

- identify the goods as imported;
- determine what the goods are designed to do by the manufacturer;
- consider the genus of the subject goods;
- determine whether it is a part or accessory of something else;
- determine whether it could be considered a set; and
- check the Internet to clarify technical aspects.

**Note:** The identification process shows what is to be classified, it does not determine the classification. It follows that applicants should not work backwards from a TCO description to identify the goods.

#### **b) Goods Description**

The description of the goods may be sourced from the importer, the manufacturer, the company website, a manual or handbook, or promotional material. Irrespective, it is essential that the goods are described accurately.

It is also essential to provide illustrative descriptive material (IDM), supporting evidence and/or a sample as appropriate with the paper copy of the application submitted to Customs. The information required will vary with the goods. For example, minerals may only require an assay certificate whereas complex machines

may require extensive IDM showing details of construction, function and design features.

*Information for possible inclusion:*

- describe the goods comprehensively and in generally accepted terms;
- include model number and manufacturer's details;
- explain how the goods are used i.e. a process description;
- detail the size of the goods, dimensions, weight, composition etc.;
- explain how the goods are made, e.g. if a garment is knitted or woven; and
- include all parts or components to be imported with the goods.

It is good practice to

- examine a sample of the goods, if possible, prior to writing the description;
- ensure the IDM is **in English and legible**;
- not re-write the claimed Tariff Concession Order wording as the goods description; and
- not use “*see attached*” as a description of the goods.

**Note:** The description of the goods must be of the goods *as they are imported*. For example, if the goods are a flat packed table, then the description should be “flat packed table” not “table”.

<b>“Claimed Reasons”</b>
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Under this heading, applicants are expected to provide reasons for the Tariff headings considered and rejected as well as the reasons for the claimed heading and subheading. Similarly, where a TCO is claimed, reasons in support must be provided in the application.

### **a) Headings Considered**

*Information for possible inclusion:*

- all of the headings considered as possible classifications

**Note:** Applicants should identify all the potential classification headings. The number of possible headings can be affected by identification, the terms of heading available and the Notes. Goods may have a clear identification with a term used in the Tariff, but other headings may still need consideration. For example, a jacket with two pairs of trousers may be presented as a suit, but the legal Notes regarding the use of the term ‘suit’ in the Tariff prevents the goods being classified together. The above ‘suit’ may be classified either as a suit (jacket and one pair of trousers) and a pair of trousers or as three separate pieces, depending on other factors such as whether made of the same fabric.

The statistical code description should not be used when choosing a heading.

### **b) Heading(s) Rejected and Why**

*Information for possible inclusion:*

- the General Rules for the Interpretation (IR) of Schedule 3 used to reject a heading and,
- the Section Notes, Chapter Notes and Harmonised System Explanatory Notes

(HSEN) used to reject a heading, if applicable;

**Note:** Fully explain the reasons if using IR3(a) to reject a heading (i.e. the goods are more specifically covered by another heading).

### **c) Claimed Heading and Why**

It is important to provide rationale for the heading chosen. Ensure that all the available information is fully considered in identifying a claimed heading.

*Information for possible inclusion:*

- state the Interpretative Rule used such as IR1, IR3(b), etc.;
- quote any Section, Chapter and HSEN Notes used;
- quote any relevant Tariff Precedent numbers; and
- if using Administrative Appeals Tribunal decisions ([www.aat.gov.au](http://www.aat.gov.au)) to support reasoning, quote the case name and how it applies to the goods; and
- refer to the IDM and the sample.

### **d) Claimed Subheading and Why**

*Information for possible inclusion:*

- include rationale for the classification to subheading; and
- if required, explain why the goods do not fit an earlier subheading.

The information listed under *Claimed Heading and Why* applies equally to this section.

### **e) Tariff Concession Order**

To be eligible for a TCO, the goods must meet the terms of the TCO *exactly as it is worded*. The goods must also be classified to the Tariff heading and/or subheading for which the TCO is made.

*Information for possible inclusion:*

- explain how the subject goods meet the terms of the claimed TCO (and provide documentary evidence in support);
- identify the specific terms met by the subject goods where the TCO has multiple terms; and
- attach a copy of the claimed TCO to the paperwork to be provided to Customs.

**Note:** Eligibility for a concession under Schedule 4, other than eligibility for a TCO, is no longer determined by regional Tariff Sections. Any inquiries on Schedule 4 items should be addressed to [TARLEG@customs.gov.au](mailto:TARLEG@customs.gov.au)

### **General Points to Remember when Lodging a Tariff Advice**

- Ensure that all contact details (name, phone number and e-mail address) are included on the tariff advice form.
- Within 5 calendar days of entering the electronic tariff advice, provide a paper copy, along with any IDM, supporting evidence and/or a sample as appropriate to Customs. Failure to do so will result in the Tariff Advice being automatically rejected.

- Customs will not process hard copy tariff advices if IDM, supporting evidence and/or a sample as appropriate are not lodged with the Tariff Advice.
- Customs will not process Tariff Advices where the IDM is illegible or irrelevant.
- Where an application is accepted but further information is requested by Customs during the processing period, a response should be made **within 14 days**. Failure to respond at all within this period will mean that the Tariff Advice is automatically rejected.
- Customs will consider an **extension of the 14 day period** where a response has been received but the applicant requires more time to provide the required information on a case by case basis and dependent on the individual circumstances.

Trade Services Branch

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