



**Australian
BORDER FORCE**

Item 34 of Schedule 4 of the Customs Tariff Act 1995

Item 34 – Aircraft parts, materials and test equipment

Aircraft parts, materials or test equipment for use in the manufacture, repair, maintenance or modification of aircraft, except the following:

- a) Textiles and goods made from textiles
- b) Goods for use in the servicing of aircraft

Duty Rate: Free
GST: Payable
GST Exemption Code: N/A
Instrument: No
Instrument Number: N/A
Treatment Code: 734

What is Item 34?

Item 34 provides a 'Free' rate of customs duty for eligible goods provided, the goods are imported with the sole intention of manufacturing, repairing, maintaining or modifying aircraft. Aircraft parts or aircraft materials must be consumed into the whole of the aircraft during the act of manufacture, repair, maintenance or modification.

The concession was introduced to develop and maintain the international competitiveness of Australia's aerospace industry by lowering of manufacture and maintenance costs. These lower costs assist the Australian industry in the highly competitive international aerospace environment.

For an aircraft part or aircraft materials to qualify as eligible under Item 34, it must be manufactured for aircraft use under type certification to defined performance standards and accompanied by a certified part number, and be installed into an aircraft after importation.

Information on goods that are aircraft parts manufactured under type certification may be acquired through reference to the following documents;

- the Original Equipment Manufacturer (OEM) Master Minimum Equipment List,
- the list of aircraft parts manufactured under type certification by suppliers approved by the OEM,
- the Civil Aviation Safety Regulations (CASR) Part 21 or the CASA Type Certification Procedures Manual (v.2.0, 2017, CASA Ref: D17/72617).

The [Guidelines to Schedule 4](#) provide information regarding the background and eligibility requirements for the application of Item 34.

What are the meanings of the terms?

Table 1 Definitions of key terms

Term	To qualify
For use in	<p>An end-use test applies to all goods imported under this Item 34. There must be a genuine intention, at the time of import that any “aircraft parts”, “materials” or “test equipment” will be “for use in the manufacture, repair, maintenance, or modification of aircraft”. That must be the sole intended use at the time of import for any eligible items.</p> <ol style="list-style-type: none"> 1. Importers seeking to use this item need to be able to demonstrate both the intent to use the goods for an eligible activity on an aircraft and the suitability of the goods for such a use at the time of import. 2. Documentation of the end-use of any goods imported under this Item 34 is required for verification of use in an eligible activity.
Aircraft Parts	<ol style="list-style-type: none"> 1. Be specialised for aircraft use, so that they are identifiable as “aircraft parts” rather than being a part which has other uses; and 2. Will be installed into an aircraft after importation so that it forms part of the complete aircraft, rather than being readily or easily removable. <p>In the case of common parts, fittings and materials such as bolts/screws /rivets; lamps and light fittings; tube or pipe fittings etc., only those subset of items that have been certified for aircraft use and issued with a traceable OEM type certification part number, or Parts Manufacturer Approval (PMA) supplier part number as appropriate, will be eligible for concessional treatment under Item 34.</p> <p>Parts or fittings such as non-aircraft specific pieces of furniture or stand-alone tablets used for entertainment purposes, for example, are not “aircraft parts” for the purposes of Item 34.</p>
Materials	<p>Materials that are used in the manufacture, repair, maintenance or modification of aircraft, for example; paint, glue, plastic polymers, carbon fibres, or metal sheets will come with complete traceability, Material Safety Data Sheets (MSDS), and a Certificate of Conformance (CoC). As with aircraft parts, these items must be manufactured specifically for aircraft use and conform to relevant airworthiness standards (type certification as necessary)</p>

Term	To qualify
Test Equipment	<p>Instruments, apparatus or equipment used to test the aircraft or components of the aircraft must have a diagnostic capability to be considered test equipment.</p> <ol style="list-style-type: none"> 1. If any test equipment at the time of importation is not solely intended use to test aircraft or components of aircraft during manufacture, repair, maintenance or modification, then the test equipment is ineligible for concessional treatment under Item 34. 2. Goods that only facilitate testing such as, power sources or hand tools, are not considered to be testing equipment.
Servicing	<p>Servicing is the process of preparing an aircraft for a flight, including the provision of consumables such as fuel, food and beverages and other items of convenience intended to be used by persons in the course of a flight such as toiletries and earphones.</p> <p>As per Part B of Item 34, goods used for the servicing of an aircraft are not eligible for the use of this Item. Therefore, consumables used for the service or comfort of persons in the course of a flight do not qualify for concessional treatment under Item 34.</p>
Textiles and goods made from textiles	<p>As per Part A of Item 34, textiles or goods/parts made of textiles are not eligible for the use of this Item. This applies regardless of whether the textile or textile good/part is certified for use in the manufacture, repair, maintenance or modification of aircraft.</p>

Examples

Part/Component	Eligible	Ineligible
Galley Equipment	<p>Eligible galley equipment must satisfy all of the following;</p> <ol style="list-style-type: none"> 1. Built into an aircraft 2. Specialised for use on an aircraft 3. Used only on an aircraft <p>Examples of this are aircraft specific ovens and aircraft specific coffee/tea makers.</p>	<p>Galley equipment that is readily removable and not part of the aircraft, such as the trolleys and trays used to serve food and drink, are not “aircraft parts” even though they may be specialised for use on an aircraft.</p> <p>Furthermore, any galley equipment that is not specifically manufactured for use on aircraft under type certification, such as domestic or commercial microwave ovens or coffee makers, are not “aircraft parts” and therefore are ineligible even if they will be installed as fixtures of the aircraft.</p>

The following examples are not exhaustive and are an extension to what is listed in the guidelines.

What are examples of goods that are <u>eligible</u> ?
Engines, engine parts, motors, generators, landing gear and aircraft tyres
Aircraft specific in-flight entertainment systems, speakers/sound systems, and seat trays that are installed into the aircraft structurally i.e. not readily removable
Parts and materials used in the manufacture of an aircraft including sheets of plastic, wood, glass, tubes, hoses and pipes
Aircraft seats, seat belts, standard lavatories (either vacuum systems including holding tank or recirculating chemical systems), wall panels, overhead stowage bins, ceiling panels and associated lighting, air conditioning systems and vents and integrated fire extinguishers
Test equipment such as wing flex test equipment, acceleration test equipment and altitude test equipment
Aircraft specific ovens, food warmers, fridges, tea/coffee makers and storage water heaters that are installed into the aircraft structurally i.e. not readily removable

What are examples of goods that are <u>ineligible</u> ?
General purpose domestic or commercial ovens, food warmers, fridges, tea/coffee makers and storage water heaters (i.e. not manufactured and supplied by the aircraft OEM or aircraft part supplier approved by the OEM)
Any stand-alone or readily removable in-flight entertainment and audio systems such as tablets, portable speakers, headsets, ear phones and stand-alone passenger operated remote control units
Commercial Safes, furniture, blinds, doors, signs, mountings and fixtures such as brackets, door closers and hooks not manufactured and supplied by the aircraft OEM or aircraft part supplier approved by the OEM
Commercial Trolleys and other stand-alone galley equipment or items not manufactured and supplied by the aircraft OEM or aircraft part supplier approved by the OEM
Portable safety and navigation items such as hand held navigation aids, portable fire extinguishers, not manufactured and supplied by the aircraft OEM or aircraft part supplier approved by the OEM
Life rafts and life jackets
Stand-alone equipment that assists ground crew to access the aircraft for testing and maintenance, such as jacks, hoists to lift and lower engines and scaffolding for ground crew access
Tools, including specialist hand tools, such as spanners, wrenches, drills and screwdrivers
Items of cutlery, plates, bowls etc. of any material, other tableware or kitchenware
Soap, toilet paper and other toiletries
Textiles such as carpets, seat coverings, beds, clothing, pillows, blankets, and goods identified as made up textile articles such as webbing straps and rescue straps. Noting chairs may be ineligible if predominately made from textiles.
Refuelling equipment

Relevant legislation

Full details relating to Concessional Item 34 can be found in [Schedule 4 of the Customs Tariff Act 1995](#).

For more information

For more information, please refer to the Department of Immigration and Border Protection's website at www.border.gov.au or email goodscompliance@border.gov.au.