

1987

THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA

HOUSE OF REPRESENTATIVES

CUSTOMS TARIFF (COMMONWEALTH AUTHORITIES)

AMENDMENT BILL 1987

EXPLANATORY MEMORANDUM

(Circulated by authority of the Minister for Industry, Technology and  
Commerce, Senator the Honourable John N Button)

## CUSTOMS TARIFF (COMMONWEALTH AUTHORITIES) AMENDMENT BILL 1987

### OUTLINE

This Bill proposes that from 1 July 1987, Commonwealth authorities other than Departments are to pay customs duty on their imports.

This change in arrangements was announced in the context of the Treasurer's Economic Statement on 13 May 1987.

The amendments in this Bill are part of the legislative package to implement these changes. Specifically provision is made for Customs by-laws under the Customs Tariff Acts to specify the bodies that will be exempt from customs duty.

### FINANCIAL IMPACT STATEMENT

Revenue generated by this Bill is estimated at \$75M in each of the next three financial years commencing 1987/88.

## NOTES ON CLAUSES

### PART I - PRELIMINARY

#### Short Title

Clause 1: This is a formal machinery clause.

#### Commencement

Clause 2: Sub-Clause 2(1) provides for Section 2(1) of the Act to come into effect on the day of Royal Assent.

Sub-Clause 2(2) provides for Section 3 and Part II of the Act to be effective from 1 July 1987.

Sub Clause 2(3) provides amendment to the Customs Tariff Act 1987 the Bill for which is currently before the Parliament.

#### Application

Clause 3: This Clause provides that the amendments proposed by this Bill do not apply in respect of goods entered for home consumption by or on behalf of Commonwealth authorities before 1 July 1987.

### PART II - AMENDMENT OF THE CUSTOMS TARIFF ACT 1982

#### Principal Act

Clause 4: This is a formal machinery Clause.

#### Schedule 4

Clause 5: This Clause provides for amendment to the Customs Tariff Act 1982 by omitting items 1 and 2 in Part 1 of Schedule 4 to that Act and substituting two new items 1 and 1A.

The amendments will provide that from 1 July 1987 only goods for use by specified authorities or bodies in by-laws provided for this purpose will be eligible for exemption from payment of customs duty.

The existing provisions whereby the Minister has the right to grant duty free entry to Commonwealth owned goods when he considers this to be in the national interest is retained.

PART III - AMENDMENT OF THE CUSTOMS TARIFF ACT 1987

Principal Act

Clause 6: This is a formal machinery Clause. The Act referred to in this Part of the Bill is currently before the Parliament in Bill form.

Schedule 4

Clause 7: This Clause provides for amendment to the Customs Tariff Act 1982 by omitting items 1 and 2 in Part 1 of Schedule 4 to that Act and substituting two new items 1 and 1A.

The amendments will provide that from 1 July 1987 only goods for use by specified authorities or bodies in by-laws provided for this purpose will be eligible for exemption from payment of customs duty.

The existing provisions whereby the Minister has the right to grant duty free entry to Commonwealth owned goods when he considers this to be in the national interest is retained.