

AUSTRALIAN CUSTOMS NOTICE NO. 2001/24

***AUTOMOTIVE COMPETITIVENESS AND INVESTMENT SCHEME (ACIS) DUTY CREDITS***

This Australian Customs Notice is provided for the information of importers, their agent/broker, and members of the Automotive Industry who are registered or considering registering under the Automotive Competitiveness and Investment Scheme (ACIS).

# Administration

AusIndustry, a division of the Department of Industry, Science and Resources, is responsible for the implementation and administration of ACIS introduced on 1 January 2001.

# ACIS Objective

ACIS has been designed to reward production, investment, research and development through the quarterly issue of ACIS duty credits to registered participants.

The main purpose of the scheme is to enable people who own ACIS duty credits to use their ACIS duty credits to offset the Customs duty liability on eligible imports.

There are four types of participants who may apply for registration to ACIS:

* Motor Vehicle Producers;
* Automotive Component Producers;
* Automotive Machine Tool or Automotive Tooling Producers; or
* Automotive Service Providers.

An ACIS Fact Sheet is available at the AusIndustry website:

[www.ausindustry.gov.au/acis](http://www.ausindustry.gov.au/acis), which provides more details on the scheme.

# ACIS Duty Credits

ACIS duty credits will be issued to registered ACIS participants following the receipt of their quarterly returns. These returns must be lodged with AusIndustry. All ACIS duty credits arising from quarterly returns will be recorded in the participant’s ACIS Ledger Account (refer below).

The *ACIS Administration Act* 1999 provides that ACIS duty credits may be:

* sold or otherwise transferred to another party;
* applied to the importation of certain eligible imports; or
* offset against an amount of unearned credit liability imposed on a person in respect of unearned duty credit.

ACIS duty credits are only available for use with imported goods entered for home consumption for Customs purposes under Item 41E of Schedule 4 to the *Customs Tariff Act* 1995, which is limited to goods with certain tariff classifications that are prescribed by by-law. A list of eligible automotive imports, by tariff classification, will be available on the ACIS website.

ACIS importers or their agents may utilise their ACIS duty credits when entering their imported goods for Customs purposes through the Customs COMPILE commercial system. Normal Customs entry procedures will not change.

Importers wishing to utilise their ACIS duty credits will need to fill in their Import Credit Number (ICN) details in the required Customs entry field. Where the ICN does not identify the tariff item of goods that apply to a specified ACIS duty credit type, importers should contact AusIndustry.

It is the responsibility of importers to ensure that goods imported using ACIS duty credits are, in fact, eligible automotive imports. Importers may be audited, by a person authorised under the *ACIS Administration Act* 1999, to ensure the correct use of Item 41E of Schedule 4 to the *Customs Tariff Act* 1995 and its corresponding by-law.

ACIS Importers will have access to regularly updated ACIS duty credit balances that are held in the Customs COMPILE system.

# The ACIS Ledger

AusIndustry has established and will maintain an ACIS Ledger Account (the Ledger) for all ACIS registered participants. ACIS Ledger Accounts will also be required, and maintained by AusIndustry, for persons who are not registered ACIS participants, but who acquire ACIS duty credits via their trade. These customers will need to contact AusIndustry to have an ACIS Ledger Account established.

The Ledger is a record of the credit that a person owns either because the credit was issued to the person or because the credit was transferred to the person. The Ledger operates in a similar manner to a bank account.

If you wish to apply ACIS duty credits against eligible imports, then you will need to advise AusIndustry who will then advise Customs of the authorised amount. The balance of the credits on the Ledger will be reduced accordingly.

AusIndustry will ensure that all ACIS duty credits are available to ACIS participants within the legislated timeframes. ACIS participants will be provided quarterly statements of the latest information from the Ledger on their ACIS duty credit balances. AusIndustry will also provide these statements upon request by the ACIS participant.

# Import Credit Number

Customs will issue each ACIS participant, who has provided AusIndustry with a valid ABN and Customs Owner Code, with an Import Credit Number (ICN) to be used when they wish to apply ACIS duty credits to the importation of eligible goods. The ICN will identify the ACIS duty credit type and identify the tariff items of the goods that it can be applied to.

The ICN must be quoted in the “Add Info” line on the Customs COMPILE Entry. In most cases ACIS participants will have only one ICN but there is provision for the allocation of separate ICNs for individual ACIS duty credit types.

# Security

All credit transactions are confidential and are only accessible by the ACIS duty credit owner. Owners or their agent/broker will need to supply their ABN and Customs Owner Codes to AusIndustry to ensure ICNs and credit balances are issued to the correct owner.

# Further information

Further information on ACIS, including information about the AusIndustry fact sheet and applicable forms for ACIS duty credits, can be obtained from AusIndustry’s ACIS website at [www.ausindustry.gov.au/acis](http://www.ausindustry.gov.au/acis) or by contacting the AusIndustry Business Hotline on 132846.

Information on Customs related matters may be obtained by contacting the Customs Information Centre on 1300 363 263 or visiting the Customs website at [www.customs.gov.au](http://www.customs.gov.au/) .

# Tom Marshall National Manager Tariff Branch

**For Chief Executive Officer**

27 April 2001

(Tariff Concessions – C01/02734)