Australian Customs Notice 2002 39

**Customs Tariff Proposal No. 2 (2002) - Amended duty rates for certain beer**

Customs Tariff Proposal No. 2 (2002) was tabled cognately with Excise Tariff Proposal No. 3 (2002) in the House of Representatives on 26 June 2002. These proposals introduce new rates of customs and excise duty for certain beer effective from 1 July 2002.

The new rates give effect to the Government's decision to implement a national excise scheme for low-alcohol beer. The key feature of this scheme is the cessation of State subsidies for low-alcohol beer, with assistance now to be delivered through lower customs and excise rates.

The rate of excise and customs duty for beer packaged in individual containers exceeding 48 litres has been reduced from $16.46 to $5.69 per litre of alcohol for low-alcohol beer with less than three per cent alcohol by volume. The rate of excise and customs duty for beer packaged in individual containers not exceeding 48 litres has been reduced from $45.46 to $28.49 per litre of alcohol for low-alcohol beer and from $38.59 to $33.22 per litre of alcohol for mid-strength beer with less than 3.5 per cent alcohol by volume. In each case, the excise and customs rates of duty are calculated on that alcohol content over 1.15 per cent. All other duty rates for beer are unchanged.

The following Customs Tariff reprint pages to reflect these changes will be issued in the week commencing 8 July 2002:

Schedule 3: Chapter 22/7 (R.14), 22/9 (R.14), 22/19 (R.6) and 22/21 (R.5).

Any queries relating to this Proposal should be directed to Robert Moore, Manager, Tariff Legislation and External Review on (02) 6275 6150.

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for

Chief Executive Officer 3 July 2002