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**Changes to the duty drawback scheme - procedural requirements for imputation method calculations**

A review of the imputation method of claiming drawback of duty has now been completed following a number of representations on the administrative procedures associated with this method of calculation. This has resulted in the adoption by Customs of a number of changes in the way drawback claims lodged under this method are to be processed.

The imputation method is one of the three main methods under the drawback scheme that can be used by claimants for the calculation of the appropriate amount of duty drawback payable. The other two are the shipment-by-shipment method and the representative shipment method. The imputation method is also referred to as Method C on the Drawback Claim Form (B807).

The imputation method is restricted to fully imported goods purchased in Australia by the exporter. The method provides a means by which drawback of duty can be claimed by exporters who cannot access the original import documentation in relation to imported goods purchased from an Australian supplier and who consequently are unaware of the actual import duty originally paid. Current procedures require a declaration from the supplier of the goods and the use of the imputation formula, as provided in Customs Regulation 135(2), to calculate the amount of the claim.

To meet the needs of the contemporary user of the drawback scheme the requirement to provide Customs with a declaration from the supplier for all imputation method drawback claims is now removed.

It is the claimant's responsibility to maintain records to substantiate entitlements under the drawback scheme and to produce those records to Customs if called upon to do so. With the removal of the requirement to provide a supplier's declaration in each instance Customs expects claimants to hold evidence that the goods the subject of the claim were imported and that duty was paid.

If this evidence is not sufficient to identify the actual rate of duty applicable, to use in the imputation formula, Customs will accept the rate of duty that was in place six months prior to the date of the local purchase.

Claimants are encouraged to discuss any aspects of these new arrangements with their local drawback officers or enquiries could be directed to Ron Houston, Supervisor Drawbacks, Canberra on telephone (02) 6275 6504, facsimile (02) 6275 6601 or at email [ron.houston@customs.gov.au](mailto:ron.houston@customs.gov.au).

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Import Export Management Branch For

Chief Executive Officer September 2002