AUSTRALIAN CUSTOMS NOTICE NO. 2005/51

Integrated Cargo System - Changes to Administrative Arrangements for Concessional Items in Schedule 4 and Other Tariff Related Changes

There are a number of changes for declaring imported goods scheduled to arrive on or after the cut over date, of 12 October 2005, in the Integrated Cargo System (ICS), to treatment codes, use of concessional items, units of quantity and country codes. These are set out below.

Treatment Codes

A number of concessional items in Schedule 4 to the *Customs Tariff Act 1995* currently use nominal tariff classifications, commencing with the numbers 9999, to give administrative effect to the item in the Customs COMPILE Computer System. On commencement of the ICS, some of these numbers will be replaced with treatment codes. The Table below lists the affected items and the 9999 reference numbers and the replacement treatment codes.

The new treatment codes will operate in the same way as existing treatment codes, that is, importers will be required to quote on ICS Import Declarations the tariff classification under Schedule 3 that applies to the goods. When a treatment code is also quoted, the treatment code will provide the rate of duty specified in the item that applies to the goods.

Tariff working pages for Schedule 4 and the Supplementary Provisions will be reprinted prior to the commencement of the ICS, to reflect the above changes.

Please note that the new treatment codes are NOT operative in the COMPILE System and importers should continue using the relevant 9999 reference numbers.

Use of Concessional Items

The ICS will not accept Import Declarations where a Schedule 4 concessional item is used when the duty rate is equal to or greater than the duty rate that applies under

Schedules 3, 5 or 6. Units of Quantity

Statistical Codes for a number of tariff classifications, particularly in Chapter 44 (wood products), use the abbreviations “M2” and “M3” for square metres and cubic metres, respectively. In the ICS, these abbreviations have been replaced with “SM” and “CU”, respectively, and these units of quantity should be used on Import Declarations. Units of quantity can be found by selecting the icon provided on the Import Declaration.

Tariff Working Pages printed for 1 July 2005 incorporated these changes, where required.



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Country Codes

Importers are reminded that the ICS requires two letter country code abbreviations and will not accept the three and four letter codes that were used in COMPILE. Country Codes can be found by selecting the icon next to the Origin Country field on the Import Declaration.

The above changes do not impact on duty rates, margins of tariff preference or the classification of goods.

Inquiries concerning this notice may be directed to Manager, Tariff Legislation, on telephone number (02) 6275 6486.

Sue Pitman National Manager Trade Branch CANBERRA ACT

September 2005

**Attachment A**

**Replacement of Certain 9999 Reference Numbers in Schedule 4 and the Supplementary Provisions to the Customs Tariff with Treatment Codes for the purposes of the ICS**

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| Item | Reference Number | Description | New Treatment Code Number |
| 18A | 9999.30.18/10  9999.30.18/20 | Goods repaired overseas free of charge  Value of goods before repair Value of repair | 418  518 |
| 18B | 9999.31.18/24 | Goods supplied under warranty | 618 |
| 18C | 9999.32.18/25 | Goods supplied under global product recall | 718 |
| 19 | 9999.30.19/26 | Repaired goods, subject to a TCO | 519 |
| 20A | 9999.32.20/28  9999.32.20/29 | Goods exported for repair Value of goods before repair  Cost of repair | 320  329 |
| 20B | 9999.33.20/38  9999.33.20/39 | Goods exported for repair, batch repair process  Value of goods before repair Cost of repair | 920  929 |
| 21 | 9999.30.21/30 | Goods imported for repair and to be exported | 921 |
| 62 | N/A | Goods subject to cheese quota | 462 |
| 109 \* | 9999.31.26/07 | Goods for exhibition at trade fairs | 109 |

\* (Item 109 of the Supplementary Provisions)