

AUSTRALIAN CUSTOMS AND BORDER PROTECTION NOTICE 2014/34

**Indexation of certain customs and excise duty rates – 1 August 2014**

The Australian Bureau of Statistics (ABS) released the June Quarter 2014 Consumer Price Index (CPI) figures on 23 July 2014. In accordance with the indexation provisions in section 19 of the *Customs Tariff Act 1995* (Customs Tariff), the rates of excise-equivalent

customs duty on certain spirits and beer will increase on 1 August 2014. This Notice sets out the new rates of excise-equivalent customs duty in Table 1 and excise duty in Table 2.

Please note tobacco and tobacco products are no longer indexed in line with the CPI. They will be indexed based on average weekly ordinary time earnings (AWOTE) figures on

1 September and 1 March of each year. The next indexation will take place on 1 September 2014.

The new rates of customs and excise duty listed in Tables 1 and 2 are calculated by multiplying the previous rates by an indexation factor. The indexation factor is calculated by dividing the most recent CPI number, that is, the June Quarter 2014 number, by the previous highest December or June Quarter number occurring after the June Quarter 1983.

Accordingly, the June Quarter 2014 index number (105.9) has been divided by the December Quarter 2013 index number (104.8) to establish an indexation factor of 1.010. As this factor is greater than one, rates of excise-equivalent customs duty and excise duty are increased by the application of this factor.

Note that these rates also apply to goods subject to indexation in Schedule 5 (US originating goods), Schedule 6 (Thai originating goods), Schedule 7 (Chilean originating goods), Schedule 8 (AANZ originating goods) and Schedule 9 (Malaysian originating goods) in the Customs Tariff.

The Australian Customs and Border Protection Service (ACBPS) has arranged for the publication of a Notice of Substituted Rates of Customs Duty Notice (No. 4) 2014 in the Commonwealth Gazette on 1 August 2014.

Please direct any inquiries concerning these matters to the following contacts:

for customs duty rates Manager

Trade Policy and Negotiation Australian Customs and Border Protection Service

5 Constitution Avenue

CANBERRA ACT 2601

Ph: (02) 6275 6542

for excise duty rates Senior Director

Indirect Tax, Revenue Performance, Intelligence and Effectiveness Australian Taxation Office

21 Genge Street

CANBERRA ACT 2600

Ph: (02) 6216 2572

Customs Tariff pages to be issued in connection with these changes are: Schedule 3

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| 22/5 (R.43)  22/7 (R.43)  22/9 (R.43) | 22/11 (R.33)  22/13 (R.35)  22/15 (R.33) | 22/17 (R.35)  22/19 (R.35)  22/21 (R.32) | 22/23 (R.15) |  |
| Schedule 5 | Schedule 6 | Schedule 7 | Schedule 8 | Schedule 9 |
| 5/1 (R.24) | 6/1 (R.23) | 7/1 (R.12) | 8/1 (R.10) | 9/1 (R.4) |
| 5/3 (R.35) | 6/3 (R.34) | 7/3 (R.18) | 8/3 (R.20) | 9/3 (R.9) |

ACBPS will issue the above tariff reprint pages in the week commencing 4 August 2014. Excise Tariff Working Pages are available from the ATO webpage:

[www.ato.gov.au/Rates/Excise-tariff-working-pages---by-laws/](http://www.ato.gov.au/Rates/Excise-tariff-working-pages---by-laws/)

(signed)

Geoff Johannes National Manager Trade Branch 29th July 2014

**TABLE 1: CUSTOMS TARIFF ACT 1995 - TARIFF SUBHEADINGS AFFECTED BY 1 AUGUST 2014 CPI INDEXATION**

|  |  |  |
| --- | --- | --- |
| **Customs Tariff Subheading** | | **New Rates of Duty Operative from 1 August 2014** |
| 2203.00.61 | 2206.00.74 | $40.15/L of alcohol, calculated on that alcohol content by which the percentage by volume of alcohol of the goods exceeds 1.15 |
| 2203.00.62 | 2206.00.75 | $46.76/L of alcohol, calculated on that alcohol content by which the percentage by volume of alcohol of the goods exceeds 1.15 |
| 2203.00.69 | 2206.00.78 | $46.76/L of alcohol, calculated on that alcohol content by which the percentage by volume of alcohol of the goods exceeds 1.15 |
| 2203.00.71 | 2206.00.82 | $8.02/L of alcohol, calculated on that alcohol content by which the percentage by volume of alcohol of the goods exceeds 1.15 |
| 2203.00.72 | 2206.00.83 | $25.15/L of alcohol, calculated on that alcohol content by which the percentage by volume of alcohol of the goods exceeds 1.15 |
| 2203.00.79 | 2206.00.89 | $32.93/L of alcohol, calculated on that alcohol content by which the percentage by volume of alcohol of the goods exceeds 1.15 |
| 2203.00.91 | 2206.00.14 | $79.22/L of alcohol |
| 2203.00.99 | 2206.00.92 |  |
| 2206.00.13 | 2206.00.99 |  |
| 2204.10.23 | 2206.00.24 | $79.22/L of alcohol, plus customs duty where applicable |
| 2204.10.29 | 2206.00.52 |  |
| 2204.10.83 | 2206.00.59 |  |
| 2204.10.89 | 2206.00.62 |  |
| 2204.21.30 | 2206.00.69 |  |
| 2204.21.90 | 2207.10.00 |  |
| 2204.29.30 | 2208.20.90 |  |
| 2204.29.90 | 2208.30.00 |  |
| 2205.10.30 | 2208.40.00 |  |
| 2205.10.90 | 2208.50.00 |  |
| 2205.90.30 | 2208.60.00 |  |
| 2205.90.90 | 2208.70.00 |  |
| 2206.00.21 | 2208.90.20 |  |
| 2206.00.22 | 2208.90.90 |  |
| 2206.00.23 |  |  |
| 2208.20.10 | | $73.98/L of alcohol, plus customs duty where applicable |

**TABLE 2: EXCISE TARIFF ACT 1921 - EXCISE ITEMS AFFECTED BY 1 AUGUST 2014 CPI INDEXATION**

|  |  |
| --- | --- |
| **Excise Tariff Item/ Subitem** | **New Rates of Duty Operative from 1 August 2014** |
| **1** | **Beer** |
| 1.1 | $40.15 per litre of alcohol, calculated on that alcohol content by which the percentage by volume of alcohol of the goods exceeds 1.15 |
| 1.2 | $8.02 per litre of alcohol, calculated on that alcohol content by which the percentage by volume of alcohol of the goods exceeds 1.15 |
| 1.5 | $46.76 per litre of alcohol, calculated on that alcohol content by which the percentage by volume of alcohol of the goods exceeds 1.15 |
| 1.6 | $25.15 per litre of alcohol, calculated on that alcohol content by which the percentage by volume of alcohol of the goods exceeds 1.15 |
| 1.10 | $46.76 per litre of alcohol, calculated on that alcohol content by which the percentage by volume of alcohol of the goods exceeds 1.15 |
| 1.11 | $32.93 per litre of alcohol, calculated on that alcohol content by which the percentage by volume of alcohol of the goods exceeds 1.15 |
| 1.15 | $2.82 per litre of alcohol, calculated on that alcohol content by which the percentage by volume of alcohol of the goods exceeds 1.15 |
| 1.16 | $3.26 per litre of alcohol, calculated on that alcohol content by which the percentage by volume of alcohol of the goods exceeds 1.15 |
|  |  |
| **2** | **Other excisable beverages not exceeding 10% by volume of alcohol** |
| 2 | $79.22 per litre of alcohol |
|  |  |
| **3** | **Spirits; Other excisable beverages exceeding 10% by volume of alcohol** |
| 3.1 | $73.98 per litre of alcohol |
| 3.2 | $79.22 per litre of alcohol |
| 3.10 | $79.22 per litre of alcohol |