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**POSTAL ENTRY THRESHOLD**

The cost recovery suite of legislation, which commenced by Proclamation on 1 April 1997, included a component which amended paragraph 68(1)(e) of the Customs Act. The amendment reduced the threshold for an entry in relation to goods consigned by the post from $1,000 to $250. The amendment had a delayed commencement date and was due to take effect on 1 April 1998.

In August 1997 the Joint Committee of Public Accounts and Audit ('JCPAA') commenced an inquiry into internet commerce. The inquiry includes a consideration of the appropriateness of the existing entry thresholds as expressed in subsection 68(1) of the Customs Act and the implications, costs and benefits of any alteration to these thresholds. In light of the mid -1998 reporting timeframe of the JCPAA it was not appropriate to proceed with the change to existing thresholds until Government has had sufficient time to consider the findings on this issue.

The Customs and Excise Legislation Amendment Act (No. 1) 1998 has provided for the removal of the proposed entry threshold reduction. This has the effect of leaving the postal entry threshold at $1000. The Government will consider the JCPAA findings and accordingly the issue of entry thresholds when the report is finalised.

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