Australian Customs Notice 2001 48

**SPACE CONCESSION - (NEW) ITEM 69**

# Legislative Provisions

On 27 June 2001, *Customs Tariff Proposal No.5 (2001)* was tabled in Parliament. This proposal provides for the creation of a new concessional item (item 69) in Schedule 4 to the *Customs Tariff Act 1995* (the Tariff).

Item 69 will enable, from 1 August 2001, the duty free entry of certain goods imported into Australia for use in authorised space projects.

Item 69 covers:

*Goods, as prescribed by by-law, entered for home consumption on or after 1 August 2001, being for use in a space project authorised by the Minister for Industry, Science and Resources.*

# Terms and Conditions of item 69

This concession enables certain goods to enter duty free under item 69, providing specific conditions are met. It will facilitate the transfer to Australia of sophisticated space-related technology and technical expertise.

The Department of Industry, Science and Resources, which has responsibility for the administration of item 69, will be issuing policy and administrative guidelines containing the terms and conditions for access to the new concession.

Access to the new concession will be in two stages:

Stage 1 - An applicant will need to seek authorisation of the space project from the Minister for Industry, Science and Resources if the project has not already been authorised; and

Stage 2 - An applicant will need to seek authorisation that the goods intended to be imported are for use in an authorised space project.

Determinations will only be made under item 69 if both of these requirements are satisfied. Details of the specific requirements, including "project authorisation", the "identification of goods for use in an authorised space project", as well as other information, will be set out in the policy and administrative guidelines.

# Administration

The Department of Industry, Science and Resources are responsible for the administration of item 69 including the processing of applications for access to the item.

# Customs Requirements

Importers wishing to avail themselves of item 69 are required to enter the goods under their normal tariff classifications and statistical keys set out in Schedule 3 to the Tariff before claiming the concessional item by quoting the treatment code 469 and the appropriate Determination number.

It should be noted there is already a significant range of space-related goods that attract a "free" rate of duty. For example, satellites, launch vehicles, telemetry and launch equipment are free of duty under Schedule 3 of the Tariff. In certain circumstances, goods of a scientific nature are also free of duty under concessional item 16 of Schedule 4 to the Tariff.

Importers are reminded that, in accordance with subsection 18(1) of the Tariff, goods that attract a "free" rate of duty in their own right under Schedule 3 to the Tariff are ineligible to claim item 69. Therefore, importers and brokers must verify that the goods are initially dutiable at a substantive rate at the time of lodging an application with the Department of Industry, Science and Resources, and when entering the goods for home consumption.

It is the responsibility of importers to ensure that goods imported using item 69 are, in fact, eligible imports. Importers may be audited to ensure the correct use of item 69 of Schedule 4 to the Tariff and the corresponding Determination.

# Further information

Information about the item 69 policy concession may be obtained from the Space and Aerospace Industries Section, Service Industries Coordination Branch, Services and Emerging Industries Division of the Department of Industry, Science and Resources on (02) 6213 6000, by facsimile (02) 6213 7000 or by visiting their website

at [www.customs.gov.au](https://borderauthor.border.gov.au/). A revised tariff working page, Schedule 4/29 (R.5), will be issued to reflect this change. Further questions concerning this ACN should be directed to the Manager, Tariff Concessions By-Laws, on (02) 6275 6571 or facsimile (02) 6275 6376.

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For Chief Executive Officer (Tariff Concessions - C01/05108)