Australian Customs Notice 2002 26

**Split consignments Item 70 of schedule 4 to the Customs Tariff Act 1995**

Item 70 of Schedule 4 to the *Customs Tariff Act 1995* (Customs Tariff) becomes effective from 1 July 2002 and replaces current items 43 and 52. In general terms item 70 applies to machinery and equipment classified in Chapter 84, 85, 86, 87, 89 or 90, which is not imported into Australia as a single consignment on the same vessel. It is designed to overcome situations where the duty rates on the components of the complete machine imported separately would be higher than the rate applicable to the goods if imported as a complete unit.

# Eligibility criteria

To be eligible for a concession under item 70 of Schedule 4 to the Customs Tariff, importers must demonstrate that the goods to be imported:

1. satisfy the specific terms of item 70; and
2. meet the terms and conditions set out in Standing By-Law No. 0240007, which is linked to item 70.

The goods must be available as an identifiable whole good at the place of manufacture or export and must have been ordered from and shipped to Australia by the same supplier. The concession does not apply to generic or notional entities such as complete plant, greenfield or civil engineering projects.

Concessional entry of goods under item 70 is only available for completed goods in situations where it is not practical for importers to transport the goods in one consignment due to size or sensitivity of parts or inadvertent delay in transport

**NOTE:** Item 70 does not apply to replacement parts, components or spares used in modernising or refurbishing existing machinery or equipment. Initial spare parts, maintenance tools and the like that may be supplied as part of an original shipment do not constitute original components.

# Administration

Concessional entry under item 70 is administered by Customs. Customs Regional Offices at the port of entry will determine requests for concessional entry under item 70. Responsibility for Government industry policy rests with the Department of Industry, Tourism and Resources (ITR).

# Compliance

Under Customs self-assessment system for reporting imported goods, the owner of the imported goods is responsible for correctly describing goods in an import entry (including claiming the application of a concessional item in Schedule 4 to the Tariff). The owner of the goods is also required to keep all commercial documents relating to the goods and their carriage to Australia that come into the owner's possession for a period of 5 years from the time the goods are entered for home consumption. Customs may need access to these documents to check the accuracy of the entry details as part of its compliance assurance activities.

A copy of item 70 and standing By-law 0240007 made for the purposes of item 70 are available on the Customs website at [www.customs.gov.au](https://borderauthor.border.gov.au/). Further questions concerning this ACN should be directed to the Manager, Tariff Concessions By-Laws, Tariff Branch on (02) 6275 6571 or facsimile (02) 6275 6376.

Information about item 70 policy and the Government objectives may be obtained from the Customs Policy Section, Trade and International Branch of the Department of Industry, Tourism and Resources on (02) 6213 6000 or by facsimile (02) 6213 7000.

 [Attachments A and B](https://borderauthor.border.gov.au/Customsnotices/Documents/acn0226attach1.pdf) (80kb) **Tom Marshall**

# National Manager Tariff Branch

**For Chief Executive Officer 7 June 2002**

# (Tariff Concessions - C01/05019)