

AUSTRALIAN CUSTOMS NOTICE NO. 2008/18

Packing Materials & Packing Containers for Imported Goods

This notice is intended to provide guidance on the classification of packing materials and packing containers used for transporting imported goods. Adherence to the following classification principles should provide industry with a simpler process for the classification of certain goods, particularly in the clothing sector.

# Packing materials

Packing materials used for international transport (including, in some cases, display for retail sale) will vary according to the type of goods imported. The classification of such material is governed by Interpretative Rule 5(b) of Schedule 2 of the Customs Tariff Act 1995 (the Act). This provides, in part, that:

“… *packing materials and packing containers presented with the goods therein shall be classified with the goods if they are of a kind normally used for packing such goods. However, this provision is not binding when such packing materials or packing containers are clearly suitable for repetitive use*.”

Customs considers that certain ephemeral matter, such as labels, tags, cardboard inserts and other printed matter may be considered part of the packing of goods. Where these, or other packing materials, are imported already incorporated as part of the packaging of the goods and are of a kind normally used in the packing of such goods, they should be classified with the goods.

Packing material for clothing can include garments being imported on hangers. However, where garments are imported already hanging upon a hanger, then Interpretative Rule 5(b) provides an exception for those hangers “*clearly suitable for repetitive use*”. Discerning which hangers may fall within such a category is not a simple issue for either Customs or industry. For this reason, Customs considers that hangers for the transport of goods in Chapters 60 to 63 may be classified separately. The choice of whether to classify hangers on garments separately will rest with the individual importer.

# Packing containers

ACN 94/9 deals with re-usable packing containers in the form of coat hangers. This allows those coat hangers suitable for re-use to be eligible for Item 34 of Schedule 4 of the Act, subject to security lodgement and to the hangers being exported within twelve months of the date of entry for home consumption.

In reviewing the operation of this Notice, Customs notes that Item 34 has not been utilised for hangers for at least five years and that alternative arrangements for re-using certain coat hangers have been developed by industry. In view of these circumstances, Customs has revoked the operation of

ACN 94/9 with effect from the date of this notice.

Inquiries concerning this notice may be directed to Manager, Tariff Review on telephone number

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