

AUSTRALIAN CUSTOMS AND BORDER PROTECTION NOTICE NO. 2011/16

Exposure draft Regulations – Changes to Sealed Bag Duty Free Sales and the Tourist Refund Scheme

The Treasury has released draft regulations for public consultation to give effect to existing administrative arrangements that support the sealed bag scheme for off airport duty free sales and to increase the flexibility of the Tourist Refund Scheme.

The draft regulations include changes to the *Customs Regulations 1926,* the *Excise Regulations 1925* and the *A New Tax System (Goods and Services Tax) Regulations 1999*.

The changes provide new export verification procedures under the Sealed Bag Scheme for liquids, aerosols, gels, creams and pastes (commonly referred to as LAGs) where such goods are purchased duty free from an off-airport retailer. The new procedures will better match international security restrictions that have been in place since March 2007.

Key changes under the Tourist Refund Scheme amendments include extending the eligibility period in which to claim a refund. The amendment will allow international passengers to purchase eligible goods up to sixty days before their departure - an increase from the existing thirty-day period. International passengers will also be able to aggregate multiple invoices from single retailers to meet the minimum threshold of $300 (GST inclusive).

The sealed bag scheme changes also extend eligibility period from thirty to sixty days to match the Tourist Refund Scheme changes.

The draft regulations and explanatory material are available on the Treasury website at <http://www.treasury.gov.au/contentitem.asp?NavId=037&ContentID=2001>

You can provide written submissions to the Treasury. **The closing date for submissions is Friday 29 April 2011**. We encourage interested parties to address the industry questionnaire provided at the Treasury website in their submission.

<http://www.treasury.gov.au/documents/2001/PDF/Industry_Questionnaire.pdf>

(signed)

Anthony Seebach National Manager Trade Services Branch 6 April 2011