Australian Government

Australian Customs and Border Protection Service

AUSTRALIAN CUSTOMS AND BORDER PROTECTION NOTICE NO. 2012/ 70

Increase to the value of penalty units in Commonwealth legislation - from $110 to $170 per unit

Higher financial penalties will soon be in place for breaches of most Commonwealth laws. Under most Commonwealth laws, financial penalties are expressed in terms of 'penalty units' instead of dollar figures. As an example, Commonwealth legislation would generally express a maximum fine as '10 penalty units' as opposed to '$1,100'.

On 28 December 2012, the value of a penalty unit will increase from $110 to $170.

This means that the maximum financial penalties for committing various Commonwealth offences, including those under the *Customs Act 1901,* will rise accordingly.

The penalty unit value has not changed since 1997, meaning the real value of the penalty unit has reduced. This change is necessary to ensure that financial penalties remain effective deterrents to the commission of Commonwealth offences.

The new penalty unit value will only apply to offences committed on or after 28 December 2012. This means the changes will not impact on current or future proceedings, or other action that may be taken, in relation to offences committed before this date. Any penalties, including those specified in Customs and Border Protection infringement notices, for offences committed before 28 December 2012, will attract the current penalty unit amount of $110.

To illustrate further the change, please see the following table.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Customs Act offence** | Offence and corresponding infringement notice scheme (INS) penalty for conduct that occurred  before28 December 2012 | | Offence and INS penalty for conduct that occurs on or after  28 December 2012 | |
| **Natural Person** | Body Corporate | Natural Person | **Body Corporate** |
| Sections 33(2), (3) | Up to 60 penalty | Up to 300 penalty | Up to 60 penalty | Up to 300 penalty |
| and (6) interfering | units ($6,600) | units ($33,000) | units ($10,200) | units ($51,000) |
| with goods subject | INS - 12 penalty | INS - 12 penalty | **INS** - 12 penalty | INS - 12 penalty |
| to Customs control | units ($1,320) | units ($1,320) | units ($2,040) | units ($2,040) |
| Section 77R(l) | Up to SO penalty | Up to 250 penalty | Up to SO penalty | Up to 250 penalty |
| Breach of conditions | units ($5,500) | units ($27,500) | units ($8,500) | units ($42,500) |
| of a depot licence | **INS** - 10 penalty | INS - 10 penalty | **INS** - 10 penalty | **INS** - 10 penalty |
|  | units ($1,100) | units ($1,100) | units ($1,700) | units ($1,700) |

You may direct any enquiries about this notice to [compliance1@customs.gov.au.](mailto:compliance1@customs.gov.au)

[signed]

Anthony Seebach

National Manager Compliance Assurance 6 December 2012