

AUSTRALIAN CUSTOMS AND BORDER PROTECTION NOTICE NO. 2013/26

1 July 2013 changes to the gaseous fuels arrangements, the carbon component rate on aviation fuel, the treatment code for cheese and curd, and the Schedule 4 item 17 by-law.

This Notice summarises changes that will occur on 1 July 2013. Changes to gaseous fuels arrangements

The excise equivalent duty prices currently set for LPG and LNG and CNG will increase from 1 July 2013. The table below sets out the current excise equivalent duty, as well as the changes set to begin next month.

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| --- | --- | --- | --- |
| **Goods** | **Tariff Classification and statistical code** | **Duty rate from July 2012** | **New duty rate from 1 July 2013** |
| Liquefied Natural  Gas (LNG) | 2711.11.00/13 | $0.1045/kg | $0.1567/kg |
| Liquefied Petroleum Gas (LPG) | 2711.12.10/01  2711.13.10/03 | $0.05/L | $0.075/L |
| Compressed Natural Gas  (CNG) | 2711.21.10/05 | $0.1045/kg | $0.1567/kg |

Automatic remissions on excise equivalent duty will still be available for LPG and LNG for non-transport use.

While the current remission is partial only, from 1 July 2013 it will become a full remission as the carbon component rate on LPG and LNG imports will no longer be collected by Australian Customs and Border Protection. From 1 July 2013 the carbon component rate will be administered by the Clean Energy Regulator.

Carbon component rate change on aviation fuel

Section 6FA of the *Excise Tariff Act 1921* provides that the carbon component rate on aviation fuels will change to $0.05313 for gasoline and $0.06279 for kerosene from 1 July 2013. The following table sets out these changes and what sub-headings in Schedule 3 will be affected:

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Type of fuel** | **Subheading** | **Subheading** | **Subheading** | **Current Excise Equivalent Duty** | **New Excise Equivalent Duty 1 July**  **2013** |
| Gasoline for use as fuel in aircraft | 2710.12.61 | 2710.91.61 | 2710.99.61 | $0.08616  ($0.0506  carbon component rate) | $0.08869  ($0.05313  carbon component rate) |
| Kerosene for use as fuel in aircraft | 2710.19.40 | 2710.91.40 | 2710.99.40 | $0.09536  ($0.0598  carbon component rate) | $0.09835  ($0.06279  carbon component rate) |

In addition, the same carbon component rate changes will take effect on

1 July 2013 on all corresponding table items in the Free Trade Agreements set out in Schedules 5, 6, 7, 8, and 9 of the *Customs Tariff Act 1995*.

Cheese and curd treatment code

Item 55 of Schedule 4 of the *Customs Tariff Act 1995* provides a concessional rate of duty on goods for which the cheese and curd quota applies.

At present, item 55 is administered through treatment code 462. However, from 1 July 2013, item 55 will be administered through treatment code 755.

New item 17 by-law

Item 17 of Schedule 4 of the *Customs Tariff Act 1995* provides a concessional rate of duty on goods exported and returned to Australia in an unaltered condition. The by-law attached to item 17 sets out the conditions of use for the item.

The item 17 by-law will be revoked and re-made to correct an omission made during the completion of the new Schedule 4 arrangements. New By-law No. 0176871 is set to commence on 1 July 2013.

Statistical code and AHECC changes

The Australian Bureau of Statistics has advised there are no statistical code changes in the Customs Tariff Working Pages.

Further, there will be no changes to the AHECC at 1 July 2013. Tariff Working Pages reprinted

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| Schedule 3 |  | | |
| 4/3(R.5) | 4/5 (R.8) | 27/7(R.25) | 27/11 (R.11) |
| 27/13(R.11) | 27/15 (R.6) | 27/17 (R.6) | 27/19 (R.5) |

Schedule 4 4/21(R.1)

Schedule of Concessional Instruments Part2/35 (R.1)

Part2/37(R.2) Further Information

For further information on the aforementioned changes to excise equivalent duty rates refer to Australian Customs and Border Protection Notice No.

2011/47.

Information on fuel tax credits and excise equivalent changes to clean energy can also be found here .

Inquiries concerning this Notice may be directed to the Manager Tariff Legislation on telephone number 02 6275 6542.

(signed)

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27 June 2013