

Deferred GST Scheme for importers

A scheme to provide for the deferral of Goods and Services Tax (GST) on imported goods will operate from 1 July 2000, coinciding with the introduction of GST. However, as usual, Customs duty will be payable before the goods are released from Customs control. From 1 July 2000, importers may be able to defer GST if they can satisfy certain eligibility criteria.

The Federal Assistant Treasurer, Senator Rod Kemp, recently announced details of arrangements to allow importers to defer payment of GST on imported goods.

The arrangements are designed to put importers on an equal footing, in regard to the payment of GST by a registered business on imported goods, compared with goods obtained locally.

"Participating importers will be able to account for the deferred amount of GST on their next Business Activity Statement", Senator Kemp said.

"The linking of the deferral scheme to the lodgment of the Business Activity Statement means that businesses will not be required to

prepare or lodge separate documentation or make separate payments".

"In the majority of cases, the amount of GST deferred will simply be offset on the Business Activity Statement as a full input tax credit."

"This will minimise compliance costs for participating businesses."

The arrangements will commence on 1 July 2000 and will be open to all importers who are registered for GST, subject to certain eligibility criteria.

Senator Kemp said that it is anticipated that around 25,000 importers will seek admission to the scheme and that the deferral arrangements will cover more than 95 per cent in value of total business importations.

Useful Deferred GST Scheme contacts:

ATO Deferred GST Scheme Helpline: 1300 130 915

ATO Business Tax Reform Infoline: 13 24 781

Customs Helpline: 1300 363 263

Internet sites: www.ato.gov.au

www.taxreform.ato.gov.au

www.customs.gov.au

Customs e-mail: taxtf@customs.gov.au

An Australian Customs Notice (ACN 2000/14) *Deferral of GST on Imported Goods* is available via Customs Home Page at:

<http://www.customs.gov.au/notices>

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