



DEPARTMENT OF IMMIGRATION AND BORDER PROTECTION NOTICE

No.2015/26

Indexation of certain customs and excise duty rates – 1 August 2015

The Australian Bureau of Statistics (ABS) released the June Quarter 2015 Consumer Price Index (CPI) figures on 22 July 2015. In accordance with the indexation provisions in section 19 of the *Customs Tariff Act 1995* (Customs Tariff), the rates of excise-equivalent customs duty on certain spirits, beer and petroleum products including gaseous fuels will increase on 1 August 2015. This Notice sets out the new rates of excise-equivalent customs duty in Table 1 and excise duty in Table 2.

The new rates of excise-equivalent customs duty and excise duty listed in Tables 1 and 2 are calculated by multiplying the previous rates by an indexation factor. The indexation factor is calculated by dividing the most recent CPI number, that is, the June Quarter 2015 number, by the previous highest December or June Quarter number occurring after the June Quarter 1983.

Accordingly, the June Quarter 2015 index number (107.5) has been divided by the December Quarter 2014 index number (106.6) to establish an indexation factor of 1.008. As this factor is greater than one, rates of excise-equivalent customs duty and excise duty are increased by the application of this factor.

The rates referenced above also apply to goods subject to indexation in Schedule 5 (US originating goods), Schedule 6 (Thai originating goods), Schedule 7 (Chilean originating goods), Schedule 8 (AANZ originating goods), Schedule 9 (Malaysian originating goods), Schedule 10 (Korean originating goods) and Schedule 11 (Japanese originating goods) in the Customs Tariff.

Note that as outlined in Australian Customs and Border Protection Notice 2014/53 the indexed excise and excise-equivalent customs duty for fuels (excluding aviation fuels) will be rounded to three decimal places of a dollar. This change is to simplify the fuel tax credit claim calculation.

The Department of Immigration and Border Protection (the Department) has arranged for the publication of a Notice of Substituted Rates of Customs Duty Notice (No.3) 2015 in the *Commonwealth Gazette* on 1 August 2015.

Please direct any inquiries concerning these matters to the following contacts:

for customs duty rates

Manager
Trade Policy and Negotiation
Department of Immigration and
Border Protection
5 Chan Street
BELCONNEN ACT 2615
Ph: (02) 6198 7868

for excise duty rates

Senior Director
Indirect Tax, Revenue Performance,
Intelligence and Effectiveness
Australian Taxation Office
21 Genge Street
CANBERRA ACT 2600
Ph: (02) 6216 2572

Customs Tariff pages to be issued in connection with the CPI changes are:

Schedule 3

22/5 (R. 45)	22/7 (R. 45)	22/9 (R. 45)	22/11 (R. 35)
22/13 (R. 37)	22/15 (R. 35)	22/17 (R. 37)	22/19 (R. 39)
22/21 (R. 34)	22/23 (R. 17)	27/5 (R. 30)	27/7 (R. 30)
27/9 (R. 23)	27/11 (R. 16)	27/13 (R. 16)	27/15 (R. 11)
27/17 (R. 11)	27/19 (R. 10)	27/21 (R. 9)	27/23 (R. 6)
29/7 (R. 19)	38/11 (R. 10)	38/15 (R. 8)	38/17 (R.4)

Schedule 5

5/1 (R. 26)
5/3 (R. 41)
5/5 (R. 14)
5/7 (R. 8)

Schedule 6

6/1 (R. 25)
6/3 (R. 40)
6/5 (R. 14)
6/7 (R. 8)
6/9 (R. 6)

Schedule 7

7/1 (R. 14)
7/3 (R. 24)
7/5 (R. 10)
7/6A (R. 9)

Schedule 8

8/1 (R. 12)
8/3 (R. 26)
8/5 (R. 10)
8/7 (R. 6)
8/8A (R. 5)

Schedule 9

9/1 (R. 6)
9/3 (R. 15)
9/5 (R. 6)
9/7 (R. 5)

Schedule 10

10/1 (R. 2)
10/3 (R. 4)
10/5 (R. 2)
10/7 (R. 3)

Schedule 11

11/1 (R. 2)
11/3 (R. 4)
11/5 (R. 2)
11/7 (R. 3)

The Department will issue the above tariff reprint pages in the week commencing 3 August 2015. The Tariff Working pages published on the Department's website will be updated before the commencement of the new duty rates.

Excise Tariff Working Pages are available from the ATO webpage: www.ato.gov.au/Rates/Excise-tariff-working-pages---by-laws/

(Signed)
Ben Duncan
A/g Assistant Secretary
Trade, Customs and Industry Policy Division
29 July 2015

TABLE 1: CUSTOMS TARIFF ACT 1995 - TARIFF SUBHEADINGS AFFECTED BY 1 AUGUST 2015 CPI INDEXATION

<u>Customs Tariff Subheading</u>	<u>New Duty Rate</u>
2203.00.61 2206.00.74	\$40.75 per litre of alcohol, calculated on that alcohol content by which the percentage by volume of alcohol of the goods exceeds 1.15
2203.00.62 2206.00.75	\$47.47 per litre of alcohol, calculated on that alcohol content by which the percentage by volume of alcohol of the goods exceeds 1.15
2203.00.69 2206.00.78	\$47.47 per litre of alcohol, calculated on that alcohol content by which the percentage by volume of alcohol of the goods exceeds 1.15
2203.00.71 2206.00.82	\$8.14 per litre of alcohol, calculated on that alcohol content by which the percentage by volume of alcohol of the goods exceeds 1.15
2203.00.72 2206.00.83	\$25.53 per litre of alcohol, calculated on that alcohol content by which the percentage by volume of alcohol of the goods exceeds 1.15
2203.00.79 2206.00.89	\$33.43 per litre of alcohol, calculated on that alcohol content by which the percentage by volume of alcohol of the goods exceeds 1.15
2203.00.91 2206.00.14 2203.00.99 2206.00.92 2206.00.13 2206.00.99	\$80.41 per litre of alcohol
2204.10.23 2206.00.24 2204.10.29 2206.00.52 2204.10.83 2206.00.59 2204.10.89 2206.00.62 2204.21.30 2206.00.69 2204.21.90 2207.10.00 2204.29.30 2208.20.90 2204.29.90 2208.30.00 2205.10.30 2208.40.00 2205.10.90 2208.50.00 2205.90.30 2208.60.00 2205.90.90 2208.70.00 2206.00.21 2208.90.20	\$80.41 per litre of alcohol, plus customs duty where applicable

<u>Customs Tariff Subheading</u>	<u>New Duty Rate</u>
2206.00.22 2208.90.90 2206.00.23	
2208.20.10	\$75.10 per litre of alcohol, plus customs duty where applicable
2207.20.10 2707.10.00 2707.20.00 2707.30.00 2707.50.00 2709.00.90 2710.12.62 2710.12.69 2710.12.70 2710.19.16 2710.19.22 2710.19.28 2710.19.51 2710.19.52 2710.19.53 2710.19.70 2710.20.00 2710.91.16 2710.91.22 2710.91.28 2710.91.51 2710.91.52 2710.91.53 2710.91.62 2710.91.69 2710.91.70 2710.91.80 2710.99.16 2710.99.22 2710.99.28 2710.99.51 2710.99.52 2710.99.53 2710.99.62 2710.99.69 2710.99.70 2710.99.80 2902.20.00 2902.30.00 2902.41.00 2902.42.00 2902.43.00 2902.44.00 3817.00.10 3824.90.50 3824.90.60 3826.00.10 3826.00.20	\$0.392 per litre of petroleum fuels including diesel, ethanol and biodiesel and blends thereof, plus customs duty where applicable
2711.11.00	\$0.268 per kilogram of liquefied natural gas
2711.21.10	\$0.268 per kilogram of compressed natural gas
2711.12.10 2711.13.10	\$0.128 per litre of liquefied petroleum gas

TABLE 2: EXCISE TARIFF ACT 1921 - EXCISE ITEMS AFFECTED BY 1 AUGUST 2015 CPI INDEXATION

<u>Excise Tariff Item/ Subitem</u>	<u>New Rates of Duty Operative from 1 August 2015</u>
1	Beer
1.1	\$40.75 per litre of alcohol, calculated on that alcohol content by which the percentage by volume of alcohol of the goods exceeds 1.15
1.2	\$8.14 per litre of alcohol, calculated on that alcohol content by which the percentage by volume of alcohol of the goods exceeds 1.15
1.5	\$47.47 per litre of alcohol, calculated on that alcohol content by which the percentage by volume of alcohol of the goods exceeds 1.15
1.6	\$25.53 per litre of alcohol, calculated on that alcohol content by which the percentage by volume of alcohol of the goods exceeds 1.15
1.10	\$47.47 per litre of alcohol, calculated on that alcohol content by which the percentage by volume of alcohol of the goods exceeds 1.15
1.11	\$33.43 per litre of alcohol, calculated on that alcohol content by which the percentage by volume of alcohol of the goods exceeds 1.15
1.15	\$2.86 per litre of alcohol, calculated on that alcohol content by which the percentage by volume of alcohol of the goods exceeds 1.15
1.16	\$3.31 per litre of alcohol, calculated on that alcohol content by which the percentage by volume of alcohol of the goods exceeds 1.15
2	<i>Other excisable beverages not exceeding 10% by volume of alcohol</i>
2	\$80.41 per litre of alcohol
3	<i>Spirits; Other excisable beverages exceeding 10% by volume of alcohol</i>
3.1	\$75.10 per litre of alcohol
3.2	\$80.41 per litre of alcohol
3.10	\$80.41 per litre of alcohol
10	
10.1	\$0.392 per litre of petroleum condensate
10.2	\$0.392 per litre of stabilised crude petroleum

10.3	\$0.392 per litre of crude petroleum oil
10.5	\$0.392 per litre of gasoline (other than for use as fuel in aircraft)
10.7	The amount of duty worked out under section 6G (using \$0.392 per litre at step 3 at 6G)
10.10	\$0.392 per litre of diesel
10.12	The amount of duty worked out under section 6G (using \$0.392 per litre at step 3 at 6G)
10.15	\$0.392 per litre of heating oil
10.16	\$0.392 per litre of kerosene (other than for use as fuel in aircraft)
10.18	\$0.392 per litre for fuel oil
10.19A	\$0.128 per litre of liquefied petroleum gas, other than liquefied petroleum gas exempted from excise by section 77HB of the <i>Excise Act 1901</i>
10.19B	\$0.268 per kilogram of liquefied natural gas, other than liquefied natural gas exempted from excise duty by section 77HB of the <i>Excise Act 1901</i>
10.19C	\$0.268 per kilogram of compressed natural gas, other than compressed natural gas exempted from excise duty by section 77HA of the <i>Excise Act 1901</i>
10.20	the rate of duty worked our under section 6H
10.21	the rate of duty worked our under section 6J
10.25	\$0.392 per litre of liquid aromatic hydrocarbons consisting principally of benzene, toluene or xylene or mixtures of them, other than goods not covered by section 77J of the <i>Excise Act 1901</i>
10.26	\$0.392 per litre of mineral turpentine, other than goods covered by section 77J of the <i>Excise Act 1901</i>
10.27	\$0.392 per litre of white spirit, other than goods covered by section 77J of the <i>Excise Act 1901</i>
10.28	\$0.392 per litre of petroleum products, other than blends, not elsewhere included, other than goods covered by section 77J of the <i>Excise Act 1901</i>
10.30	the amount of duty worked out under section 6G (using \$0.392 per litre at step 3 at 6G)