

JJL**J. J. LAWSON**
CUSTOMS & FREIGHT BROKERS

Bare Facts

Number 9

Published by J.J. Lawson - Customs and Freight Brokers



Bringing you the bear essentials

Matt's top tip

Welcome to the first edition of Bare Facts for 2009. I hope the year is treating you well.

AQIS

Firstly, a brief update on the use of overseas fumigation providers. Late last year, AQIS added another two countries to the AFAS Scheme so there are now eight countries for which Methyl Bromide Fumigation Certificates will only be

acceptable if they are issued by a company either approved under an AFAS scheme or are specifically listed as being acceptable by AQIS.

These countries are Indonesia, India, Italy, Malaysia, Papua New Guinea, Philippines, Sri Lanka and Thailand.

For all other countries, Methyl Bromide Fumigation Certificates are acceptable from all treatment providers unless they are specifically listed as being 'under investigation' or 'unacceptable' by AQIS.

The list of treatment providers that are 'approved', 'under investigation' or 'unacceptable' can be found at <http://www.daffa.gov.au/aqis/import/general-info/pre-border/afas/providers>

Also on AQIS, importers wishing to identify which Quarantine requirements may be imposed on in-bound goods should check the excellent ICON search facility on the AQIS website at http://www.aqis.gov.au/icon32/asp/ex_querycontent.asp

Please note that if you are importing foodstuffs there are additional requirements applicable under the Food Standards Code <http://www.foodstandards.gov.au/thecode/foodstandardscode.cfm>

Self-Assessed Clearance Declarations

Back on 12 October 2005, a day that will live in infamy in the minds of many Customs Brokers, a new method of clearing low value consignments was introduced - Self-Assessed Clearance Declarations (SACs).

In this issue

EFT and GST Deferral

Import restrictions on the humble light bulb

New Customs Integrated operations

Border Protection Service

Read on...

Amendments to the Customs Act, the Customs Tariff Act and the GST Act resulted in consignments with a Customs Value of A\$1000 or less no longer requiring formal entry for Customs purposes. With the exception of Tobacco and Alcohol products, such consignments are also Duty and GST Free, although Quarantine, Prohibited Imports and other requirements affecting imports still apply.

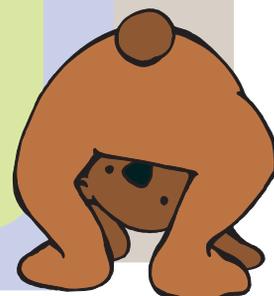
While a formal Import Declaration is not required, information concerning consignments which have a Customs Value of \$1000 or less must be submitted to the Australian Customs Service (ACS) and this is done by way of a Self-Assessed Clearance Declaration (SAC).

One issue that has arisen in regard to SACs is what actually constitutes a consignment?

The ACS (in ACN 2006/59) defines a consignment as a shipment of goods from one person to another that arrives on the same ship or aircraft. Multiple consignments arriving on one ship or aircraft, sent from one person to another, are to be treated as a single consignment even if sent on separate Seaway Bills, Bills of Lading or Airway Bills. If the total Customs Value of the aggregated consignments is A\$1000 or less, SAC provisions apply. If the total Customs Value of the aggregated consignments is over A\$1000, a formal Import Declaration must be lodged.

Please be aware of this when importing low value consignments as the ACS monitors SACs. Also be aware that movements in exchange rates can affect whether a consignment can be cleared as an SAC. If you have any doubts, please call me on 02 9669 3011.

Matt McAuliffe
Consultant
Indirect Taxation



EFT and GST Deferral

There are two options available to importers that both reduce overheads and save time.



EFT

EFT as a standalone means Australian Customs directly debits your nominated account of owing Duty and GST (if applicable).

You always receive written notification of your liability in advance from our office – either by fax or email, including a copy of the Customs Entry. Benefits include:

- Lower disbursement Fees
- Quicker processing times
- Extended Trading Terms

If you are not taking advantage of this feature, check out the below link on our website



Customs EFT Authority

GST Deferral

In addition to EFT, GST deferral may work for you. The Duty will be paid to Customs (if Duty applies), however the GST is deferred.

There are some basic requirements for GST Deferral, including communicating electronically with the ATO and being a monthly remitter of GST.

Implementing these options will give you quicker processing times and lower disbursement costs. If you are not yet taking advantage of this features, check out the links on our website

Under a scheme run by the Australian Taxation Office (ATO), many imported goods are eligible for deferral of GST.

The Deferred GST Scheme covers GST only; it does not impact upon customs duty, which must still be paid at the time of importation.

Deferral of GST on imported goods extends to all importations that are entered for home consumption, either at the time of importation (Customs Nature 10 entries) or from a Licensed Customs Warehouse (Customs Nature 30 entries).

The scheme also covers Post Warrant Amendment entries where additional GST is payable (eg Nature 11 and 31 entries). Owners must be registered for GST and must apply to the ATO for approval to participate in the Deferred GST Scheme. To be eligible, you must lodge your Business Activity Statements (BAS) monthly. Owners can deal electronically with Customs, either directly or through a licensed Customs Broker. The Customs computer system (ICS) does not permit deferral on entries that are lodged manually.

How does the scheme operate?

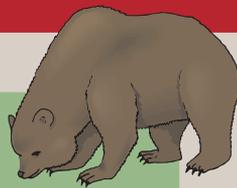
- When goods are entered for home consumption, ('home consumption' means that the goods enter into the commerce of Australia) the owner is required to quote their Australian Business Number (ABN) to Customs. If the owner has been approved to defer payment of GST, the imported goods can be released after payment of any customs duty or other charges. Customs records the GST liability of each shipment as it is finalised.
- At the end of the month Customs advises the ATO of the aggregated liability for each owner.
- The ATO includes on the next BAS the total amount of GST that was deferred during the previous month. The ATO then issues the BAS to the owner via the Internet.
- The BAS is due to be lodged and paid by the 21st day following the month in which the GST was deferred. (If all the importations for the period are creditable importations, an input tax credit can be claimed in the BAS, which will effectively offset the deferred GST liability.)

If you are not yet taking advantage of this features, check out the below link on our website



GST Deferral Application

BEAR BITS



It's a sunny morning in a big forest and the Bear family is just waking up. Baby Bear goes downstairs and sits in his small chair at the table. He looks into his small bowl. It is empty! "Who's been eating my porridge?" he squeaks.

Daddy Bear arrives at the table and sits in his big chair. He looks into his big bowl. It is also empty! "Who's been eating my porridge?" he roars.

Mommy Bear puts her head through the serving hatch from the kitchen and screams, "For goodness sake, how many times do we have to go through this? I haven't made the porridge yet!"

Introducing Australian Customs and Border Protection Service

On 4 December 2008, Prime Minister Kevin Rudd announced the renaming of Australian Customs Service and enhancement of the agency's capabilities.

Australian Customs and Border Protection Service manages the security and integrity of Australia's borders. It works closely with other government and international agencies, in particular the Australian Federal Police, the Australian Quarantine and Inspection Service, the Department of Immigration and Citizenship and the Department of Defence, to detect and deter unlawful movement of goods and people across the border.

The agency is a national organisation employing more than 5500 people in Australia and overseas, with its Central Office in Canberra. It has a fleet of ocean-going patrol vessels and contracts two aerial surveillance providers for civil maritime surveillance and response.

Protecting the Australian community through the interception of illegal drugs and firearms is a high priority and sophisticated techniques are used to target high-risk aircraft, vessels, cargo, postal items and travellers. This includes intelligence analysis, computer-based analysis, detector dogs and various other technologies.

www.customs.gov.au

Landed Cost Reports – free trial

Landed Cost Reports are a very useful time-saving tool. JJL can calculate and deliver a Landed Cost Report for you for just \$45.00 per shipment, providing you with full details of the Landed Cost per unit or line of product.

The report incorporates the product costs and all other charges such as freight, local charges, duty where applicable, GST and cartage. Nominated sales margins and mark-ups can also be added in. The report can be customised to suit your needs.

For a free trial sample shipment Landed Cost report, please contact Marty Lawson on 02 9669 3011 or email marty@jjlawson.com.au

Port Botany update

The Port Botany Expansion has now been underway for over six months and there has been significant progress, according to Sydney Ports.

This project will see the reclamation of 60 hectares to facilitate the development of a 63 hectare terminal with five new shipping berths and 1,850 metres of new wharves.

Dredging continues and to date, 820,000 cubic metres of reclamation has been achieved. Construction of the onsite concrete batch plant commenced in December, to be operational from February 2009. Creation of the rock wall at Millstream Groyne and Lookout commenced in December 2008.

Green Light Ahead

The government has placed new restrictions on the import of General Lighting Service (GLS) Electric Filament Lamps. As of February 2009, these lamps cannot be imported without permission from the Minister for the Environment, Heritage and the Arts.

The prohibited GLS lamps are classified 8539.22.00.32 and 33 of the Customs Tariff. Any attempt to import these lamps without permission from the Minister may result in the seizure of the goods by Customs.

This restriction is a result of the Government's commitment to reduce greenhouse gas emissions and tackle climate change.

The import prohibition does not apply to GLS lamps that are imported as part of other equipment or coloured GLS lamps.

If you think you may be affected by this new restriction or you would like a factsheet, please contact Matt McAuliffe on 02 9669 3011.

New Customs Integrated Operations Centre

In November 2008, Bob Debus, Minister for Home Affairs, officially opened Customs and Border Protection Command's 24 hour Integrated Operations Centre (IOC)

Using the latest technologies, the IOC will monitor off-shore activities and identify and assess security threats.

The IOC combines elements of Customs, the Department of Defence, the Australian Fisheries Management Authority and the Australian Quarantine and Inspection Service to manage and coordinate the Government's response to maritime incidents.

It will access information from surveillance aircraft, Customs and Defence patrol boats, satellite surveillance and other sources, including commercial parties and a range of Government agencies.

From this new Centre, Border Protection Command will have world-leading maritime information and threat analysis capabilities and co-ordinate government response to critical maritime threats, in particular unauthorised maritime arrivals and illegal foreign fishing. It will also monitor and respond to issues such as maritime pollution, prohibited imports and exports, piracy and violence at sea.

The Who's Who of JJL

Not sure who you need to speak to?

Our key personnel at Mascot (Customs) are:

Reception / Switchboard	DONNA ZARRIS
Managing Director	JIM LAWSON
Customs Manager	NATHANIEL ALFONSO
Airfreight Manager	MICHAEL CUNNINGHAM
Airfreight / Interstate	MATT CUSKELLY
Interstate Manager (IT)	CON BOUROLIAS
Sea-Freight Manager	DENIS COSO
Sea-Freight / Registrations	DANNIELLE PLATTEN
Customs Rego	MELISSA BAKEWELL
Sales & Marketing (Acct Manager)	MARTY LAWSON
Freight Manager	TERRY MORRIS
Freight Admin & Bookings	REBECCA HIGHAM
Runner / Sales Clerk	CLINT CATAN
Consultancy	MATT MCAULIFFE
Financial Controller	CINDY XU
Accounts Receivable	BIJAL SAGAR
Accounts Payable	AYSHA AKHTER

Phone: 02 9669 3011 Fax: 02 9693 5872

Email: bears@jjlawson.com.au

And at Chipping Norton (Transport / Warehousing):

Transport Manager	GREG LAWSON
Operations	JAMES TARLETON
Coordinator	ADAM MILTON
Costings	MICHAEL JENKIN
Warehouse Manager	BEN MCMURDO
LCL / AIR	AL O'CONNELL

Phone: 02 9755 5855 Fax: 02 9755 5191

Email: bears@jjltransport.com.au

Warehousing



JJL has an expansive site at Chipping Norton in Sydney's southwest, offering competitive rates on warehousing and storage. We can offer a package tailored to your needs, including all or some of the following:

- Cartage to Store • FCL Unpack • Palletising
- Storage • Pick & Pack • Handling & Ex Store

Our secure premises can provide long and short-term storage of pallets and containers. Customers can pick up at site or we can arrange delivery ex-store.

For information on warehousing, call Marty on 02 9669 3011 or Ben on 02 9755 5855.



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