

Australian Customs Vehicle Import Requirements

The **Australian Quarantine & Inspection Service** inspects all vehicles and requires them to be properly cleaned. This is usually affected by steam cleaning. You should remove all soil and any other matter from your vehicle from your vehicle (including the underside) prior to its exportation to Australia.

You should ask your Shipping company (New Zealand Shipping or Australian Trade & Shipping) any questions about freight costs, location of the vehicle for clearance etc...

You should ask the state registration authorities any questions about registration of the vehicle in the state in which it is to be registered.

In order to clear your motor car or motor cycle through customs, a formal clearance is required. This will involve lodging an approval form entitled an "entry for Home consumption" (in triplicate) with Customs. At the time of lodgement, you will also need to provide any documents to substantiate the details that you have included on the Entry for Home Consumption e.g Bill of lading and Invoices.

The Australia Customs Service imposes a cost recovery fee for the processing of import entries, the amount of this fee depends on whether the entry is lodged electronically or is a documentary (manual) entry and the number of entry lines.

You may prefer to seek advice from a customs broker about the importation and customs clearance of your vehicle. While this is not a requirement, many importers do so because of the information requirements of Customs and the possibility of penalties being imposed for supplying incorrect or misleading information.

To enable Customs to determine the value of your vehicle you must present your passport, all purchase documents, bills of sale, registration papers, service records and shipping Bill of Lading together with any other documents that may assist customs in determining the *Customs Value*

Payment of Customs Duty & Sales Tax

Customs **Duty and Sales Tax** are calculated from the *Customs Value* (Note The customs value has no bearing on the potential re-sale value of your vehicle which may be less than an Australian equivalent) **Import Duty** passenger vehicles 15 % commercial vehicles 10 % **Goods and Sales Tax** passenger vehicles 10 % commercial vehicles quote sales tax number or exempt for primary producers or 10 %

Customs Value is normally calculated in the following manner

* First take your purchase price in the foreign currency and add to that the cost of any modification or improvement work done on the vehicle. Do not add the cost of routine maintenance or repairs for normal wear and tear.

* Next the purchase price is converted to Australian Dollars using the official rate of exchange on the date of export of the vehicle from the place of export.

* The figure that has been obtained is called the *Customs Value*.

The above formula for calculating the Customs Value is not normally used where

- * The Importer cannot demonstrate that the sale under consideration took place with the purpose of exporting the vehicle or motor cycle to Australia:
- * The purchaser cannot present to customs at the port of importation satisfactory purchase documentation such as invoices, receipts, etc which verify the full purchase price of the vehicle.
- * The vehicle has been purchased overseas at only a token or nominal price
- * Between the date of purchase of the vehicle and its subsequent importation into Australia its value has altered considerably due to the following occurring:
 - (1) The addition of significant accessories, fittings or options, major restoration, modification or any improvements (excluding and necessary repairs of a minor nature and routine maintenance) or
 - (2) Significant damage (not normal wear & tear) has occurred.
- * Where sufficient and reliable information (section 160 of the Customs Act 1901) is not available to a collector

Alternative methods of determining the Customs Value

There are several alternative methods to determine the *Customs Value* of privately owned motor vehicles or motor cycles. However to utilise these methods Customs needs to be in possession of relevant information including details concerning sales of equivalent vehicles which have occurred “about the same time ' as the vehicles to be valued. It is highly unlikely that the information necessary to utilise these valuation methods would be available to Customs and the application of these methods would therefore not be practical.

The fall back Deductive method is the most appropriate method for establishing the *Customs Value* of privately imported motor vehicles and motor cycles when it is unable to be determined using the previous methods. This method is based on the cost of the motor vehicle or cycle at the Australian wharf (i.e. the landed cost) the cost may be established by referring to an “expert ” appraisal. In this context the “expert ” appraisal should provide a cost for the vehicle or cycle which is the appraisal cost as inspected at the point of importation. Therefore, the ' expert " appraisal will not include post importation charges but will take into account of any modifications or accessories which have been made or added to the vehicle or cycle prior to its importation to Australia. Once the Australian “landed cost “has been satisfactory established, certain deductions (e.g. overseas freight and insurance) will be made by Customs. The value so determined will be the *Customs Value*

Importers responsibility to obtain an Australian Valuation

Where an “expert” appraisal is necessary to establish the value of the vehicle or cycle, it is the importers responsibility to obtain and pay for that service. Such appraisal must be to the satisfaction of Customs. Where Customs requires a further appraisal, the cost will be borne by Customs.