

Senate Economics Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Supplementary Budget Estimates

2016 - 2017

Division/Agency: Individuals and Indirect Tax Division

Question No: 471

Topic: GST on low value imported goods

Reference: Written

Senator: Ketter, Chris

Question:

- 1) Is Treasury still working towards this measure being implemented for 1 July 2017?
- 2) What consultation has Treasury undertaken?
- 3) When will Treasury undertake public consultation?
- 4) Has Treasury examined how the UK enforces a consumption tax on low value imports?
What similarities are there for Australia

Answer:

- 1) The Government is working towards a 1 July 2017 start date for applying GST to the importation of low value goods.
- 2) Treasury has consulted with a range of stakeholders including, for example, potentially affected overseas entities and tax experts.
- 3) The Government released exposure draft legislation for this measure on 4 November 2016 and has asked for public submissions by 2 December 2016.
- 4) The UK is currently a member of the European Union (EU) and applies consumption tax or VAT consistent with EU requirements. Treasury has considered the similarities and differences between Australian and EU consumption tax rules in relation to low value imports.