



**Import Taxes**

# **AU Import Taxes**

# Import Duties

$$Y \times X\% = \text{Import Duty}$$

Y = Customs Value, X = Duty Rate (%)

## Tariff Rates

Imported products are subject to duties. The duty rate depends on the product, and its origin – and is normally a percentage. The Customs Duties are calculated based on the Customs Value (CVAL).

**Search Rates:** CURRENT TARIFF CLASSIFICATION ([Link](#))

## Customs Valuation (CVAL)

$$\text{Customs Value} = \text{Product Cost}$$

The Customs value (CVAL) in Australia is based on the FOB (Free on Board) price. This includes the following:

- Unit price
- Transportation to the Port of Loading (Included in FOB)
- Export Clearance Cost (Included in FOB)

### Additional Costs

Additional costs (also called 'assists') may also include the following:

- Tooling costs
- Paid product samples
- Paid services (i.e., design services paid to the supplier)

# Goods and Services Tax (GST)

$$\text{GST} = 10\% \times (\text{CVAL} + \text{Import Duty} + \text{Shipping} + \text{Insurance})$$

Goods and services tax (GST) is payable when importing most products to Australia. This applies regardless of whether your company is GST registered. At the time of writing, the GST is set at 10%.

## Calculation

GST (10%) is calculated on top of the sum of the following:

- Customs Value (FOB Price)
- Customs Duty
- Shipping to Australia
- Shipping Insurance

### Example

- Customs value (FOB Price) = AUD 10,000
- Customs Duty = 5% x AUD 10,000 = AUD 500
- Shipping = AUD 1,000
- Insurance: AUD 20
- GST = 10% x (AUD 10,000 + 500 + 1,000 + 20) = AUD 1152

**Learn more:** GST and imported goods ([Link](#))

## Import Processing Charge

The Import Processing Charge is calculated as a fixed cost base on the customs value and the declaration method.

### FOB Value ≤ AUD 1,000

- None

### FOB Value: AUD 1,000 to 10,000

- Manual Declaration: AUD 90
- Electronic Declaration: AUD 50

### FOB Value ≥ AUD 10,000

- Manual Declaration: AUD 192
- Electronic Declaration: AUD 152

## Calculation

Cost	Calculation	Sub Total	Comment
<b>Product Costs</b>			
<b>Unit Price (FOB)</b>	\$20 x 1000 pcs	\$20,000	CVAL = FOB
<b>Tooling</b>	\$0	\$0	
<b>Shipping Costs (To Australia)</b>			
<b>Freight Cost (CIF)</b>	\$400 x 1.2 cbm	\$480	
<b>Insurance</b>	$(\$20,000 + 0.1 \times \$20,000) \times 0.5\%$	\$110	
<b>Shipping Costs (In Australia)</b>			
<b>Local Charges</b>	\$350 x 1.2 cbm	\$420	
<b>Inland Transportation</b>	\$200	\$200	
<b>Taxes &amp; Fees</b>			
Import Duty	$(\$20,000) \times 5\%$	\$1000	Duty rate at <b>5%</b> assumed
GST	$(\$20,000 + \$480 + \$110 + 1,000) \times 10\%$	\$2159	GST 10%
Import Processing Charge	\$152	\$152	Electronic submission assumed
<b>Total</b>	$\$1000 + \$2159 + \$152$	<b>\$3,311</b>	Includes GST