



# CLEARANCE OPTIONS FOR VISITING SMALLCRAFT

Customs welcomes masters and owners of international yachts and smallcraft to Australia. In order for your vessel to remain in Australian waters it must have appropriate clearance through Customs.

## CONTROL PERMITS

Control Permits are granted to eligible applicants where Customs is satisfied that the craft is transiting Australia for specified non-commercial purposes such as:

- cruising/touring purposes
- mooring purposes
- recreational use
- repair/refit
- specified racing events

Persons eligible to apply for a control permit must hold a valid passport and visa and must be a tourist or temporary resident.

In certain circumstances non-resident Australians, who can demonstrate overseas residency, may be eligible for a control permit.

Where a craft is owned by a corporation and more than 50% of the owners of the corporation are Australian residents, a control permit will not be granted. It is expected that Australian residents will pay duty and taxes on goods arriving in Australia including smallcraft.

Customs may ask for additional information regarding corporately owned craft.

Control permits can be issued for specified periods, for example, three (3) months however the maximum length of time a permit will be granted will not exceed twelve (12) months.

At the expiration of the control permit the holder may apply for an extension. Providing the applicant still meets eligibility requirement an extension may be granted, however extensions will only be granted for a maximum of three years within a four-

year period. The four-year period commences from the date of arrival of the smallcraft in Australia.

When a control permit expires and an extension has not been sought, the craft must either depart Australia or be formally imported and an import declaration lodged. A formal importation is the process to enter goods to account for revenue, quarantine and statistical purposes.

If a permit holder is found to be in breach of any of the conditions of the permit, for example, action has been taken to sell the craft, Customs may take further action such as revoke the permit and require the craft to be formally imported. In some circumstances a security may be requested. A security is a monetary amount that is held in trust until specified obligations have been met.

If the craft is imported customs duty and tax will be payable.

## TEMPORARY IMPORTATION

Under limited circumstances Customs is authorised to allow the temporary importation of smallcraft into Australia without the payment of Customs duty and tax.

Smallcraft eligible for temporary importation under Section 162 of the *Customs Act 1901* must be the property of a tourist or temporary resident. A tourist or temporary resident is someone who does not live in Australia on a permanent basis.

A requirement of temporary importation is that a formal import declaration is lodged with Customs and a security taken or an undertaking made. An undertaking is a legal document that promises that any revenue liability will be paid if the craft is not exported or does not depart Australia. If temporary importation is granted, the craft must be exported or depart Australia within the period specified which is generally twelve (12) months.

Under the provisions of temporary importation, the craft must not be lent, sold, pledged, mortgaged, hired, given away, exchanged, altered or otherwise disposed of.

Applications for temporary importation can only be made upon a direct arrival of the craft into Australia from overseas.

Temporary importation provisions operate independently from the Control Permit system and it is not possible to move from one to the other.

## FORMAL IMPORTATION

If you are an Australian citizen, permanent resident or migrating to Australia on a craft purchased outside Australia, importation of the craft is required.

Customs duty and tax are payable on any craft imported into Australia upon its arrival.

Australians returning home on a craft on which Australian Customs duty and tax have previously been paid will not be required to make a further payment, provided that the craft has not been sold or no major alterations have been made to the craft while overseas or a drawback of duty has previously been made.

A valid certificate of identification under the *Shipping Registration Act 1981* must be produced to verify that the craft is of Australian origin.

Further details of the conditions that apply to duty and tax free re-entry should be obtained from Customs at the port of departure from Australia.

## FOR MORE INFORMATION

For information on any Customs matter, contact the Customs Information and Support Centre on 1300 363 263 or email [information@customs.gov.au](mailto:information@customs.gov.au) or browse the website [www.customs.gov.au](http://www.customs.gov.au)