



CUSTOMS WAREHOUSES DEFERMENT OF DUTY

The warehouse licensing system administered by Customs provides owners of imported goods with the ability to defer the payment of Customs duty until the owner is ready to enter the goods for home consumption.

Owners are able to store their goods in a warehouse licensed under section 79 of the *Customs Act 1901*. Goods held in a warehouse are under Customs control until such time as the goods are entered for home consumption and the Customs duty is paid, or the goods are exported.

Goods held in this manner are referred to as "underbond" - goods on which customs duty is payable but is yet to be paid. Such goods are also subject to warehouse licence conditions as specified by Customs.

ABOUT LICENSED WAREHOUSES

Warehouse licences are granted for the storing of general goods or goods of a specific type, for example alcohol or tobacco.

Warehouses generally operate at the wholesale level, however duty free shops are a special kind of warehouse that are specifically permitted to operate at the retail level. Duty free shops are able to sell goods free of Customs duty, Goods and Services Tax and, where applicable, Wine Equalisation Tax, to relevant international travellers subject to appropriate legislative requirements.

APPLICATION FOR A WAREHOUSE LICENCE

The Warehouse Licence Application Guide provides applicants with information on 'how to apply' for the licence. To obtain a copy of this application guide, please contact the Licensing Group. Each application must contain full details about the premises to be licensed, and the person or group seeking the licence.

Details required include:

- the types of goods to be stored
- proposed activities within the warehouse

- physical security of goods in the warehouse
- electronic systems used to account for goods while under Customs control.

All personnel who are involved in the management and/or control of the warehouse will be subject to a 'fit and proper person' check by Customs.

All warehouse licence applications must be submitted to the Customs Licensing Group.

WAREHOUSE LICENCE FEES

Warehouse licence holders are required to pay an annual licence fee of A\$4000 (that can be paid quarterly). A documentary or cash security is also required the amount of which is dependant on the number of warehouses operated and the duty liability of the goods being stored.

FOR MORE INFORMATION

Full details on the operation of the Customs licensed warehouse system are contained in the *Customs Act 1901* and the *Customs Regulations 1926*.

For information relating to warehousing of excise goods, please contact the Australian Taxation Office.

To apply for a warehouse licence, or for further information, please contact:

Customs Licensing Group
Australian Customs Service
5 Constitution Avenue CANBERRA ACT 2601
Phone: 1300 136 270
E-mail: licensing@customs.gov.au

For information on any Customs matter, contact the Customs Information and Support Centre on 1300 363 263 or email information@customs.gov.au or browse the website www.customs.gov.au