

GST - Importation Procedure

Section 1 - Background and Purpose

(1) The purpose of this Procedure is to establish a framework in which staff can confidently apply the Goods and Services Tax (GST) legislative requirements to University operations to ensure the University complies with its obligations arising from [A New Tax System \(Goods and Services Tax\) Act 1999](#).

(2) GST is payable on most goods imported into Australia. Customs release the goods after payment of any customs duty or other charges, including GST. The up-front GST component is then claimed back from the ATO by the University in the next monthly BAS. This Procedure relates to custom agent invoices, not the original asset purchase.

Section 2 - Scope

(3) Refer to the [GST \(Goods and Services Tax\) Policy](#).

Section 3 - Policy Statement

(4) Refer to the [GST \(Goods and Services Tax\) Policy](#).

Section 4 - Procedures

Part A - Processing Imports in SAP

(5) All imports of goods, except for capital imports, are to be allocated a SAP tax code of A0 (GST Free Purchases - 0%).

(6) Imports of a capital nature are to be allocated a SAP tax code of A0 (GST Free Asset Acquisitions - 0%).

Part B - Custom Agent Invoices

(7) Tax invoices are not required for taxable importations. However, there must be relevant documentation issued by customs (rather than the supplier) to support input tax credit claims. The GST component that is calculated on the value of taxable import must be included in addition to the regular custom duty charge.

Part C - Posting Rules

(8) The treatment of related importation expenses is set out in the table below, including the use of tax codes and general ledger accounts to be used for the various expenses:

Expense	GST Status	Tax Code
Freight Collected	GST Free	A0
Quarantine Duty	GST Exempt	AZ

Expense	GST Status	Tax Code
Customs Duty	GST Exempt	AZ
Terminal Fee	GST (10%)	A7
Postage/ Petties	GST (10%)	A7
Agency & Attendance	GST (10%)	A7
Quarantine Attendance	GST (10%)	A7
Cartage/Freight	GST (10%)	A7
GST on Importation	GST Exempt	AZ

(9) The GST on imported goods must be differentiated from the GST that is a component of the custom duty regular charge. Regular customs charges must be processed as normal.

Section 5 - Definitions

(10) For the purpose of this Policy:

- a. ATO: Australian Taxation Office.
- b. Capital Import: An imported asset valued at more than \$5,000.
- c. Custom Agent Invoice: Invoice issued by customs agent when goods are imported into Australia.
- d. GST: Goods and Services Tax as defined in A New Tax System (Goods and Services Tax) Act 1999.
- e. Taxable Importation: Goods imported into Australia on which GST has been levied.
- f. Value of Taxable Import: The sum of the customs value of the imported goods, the amount paid or payable for the international transportation of the goods to their place of consignment in Australia and to insure the goods in transport, to the extent that the amounts are not already included in the customs value, and any customs duty payable in respect of the importation of the goods.

Status and Details

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