



Australian Government

Department of Home Affairs



Australian
BORDER FORCE

E-Commerce Revenue Collection

Australia's experience

WCO Global E-Commerce Conference

28-29 June 2021

Our focus

- Optimising legitimate trade in goods to support Australia's economy
- Operating across the border continuum to prevent the movement of prohibited goods
- Managing and enhancing the collection of border revenue

Revenue collection at the border

De Minimis Thresholds – opportunities and challenges

Trade facilitation

De minimis thresholds

- Customs duty and GST – AUD\$1,000

Reporting threshold

- AUD\$1,000
- Reduced reporting requirements simplify border processes for E-Commerce stakeholders



Revenue risks

Undervaluation

- Importers deliberately value goods below de minimis threshold to evade payment of duties and taxes

Split shipping

- Importers fulfil a single order using multiple consignments, with each consignment valued below the de minimis threshold.

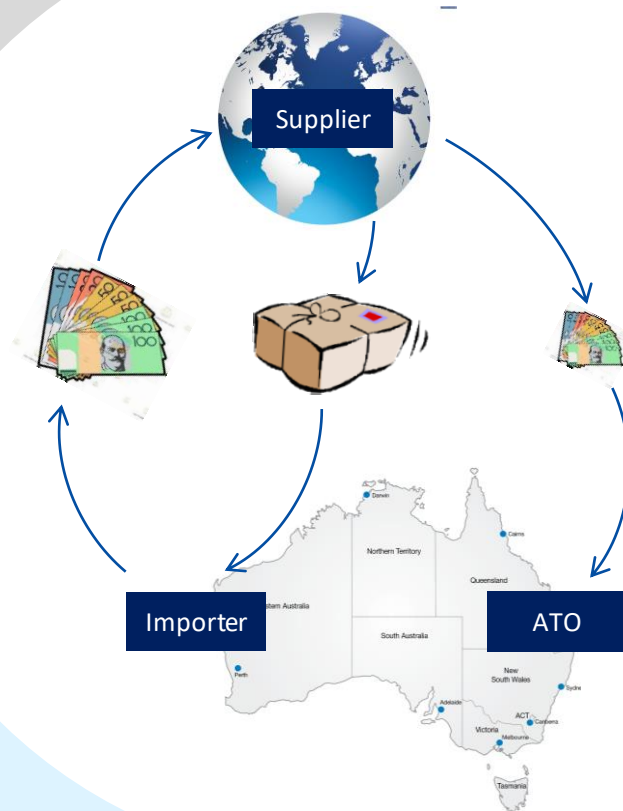
Australia's vendor collection model for VAT on low value imports

GST on low value imported goods

- Australia implemented a new collection model for GST on low value imported goods on 1 July 2018
- GST collected at point of sale, rather than at the border
- Applies to:
 - Business-to-consumer transactions below AUD 1,000
 - Entities with turnover above AUD 75,000
 - Online marketplaces and merchants

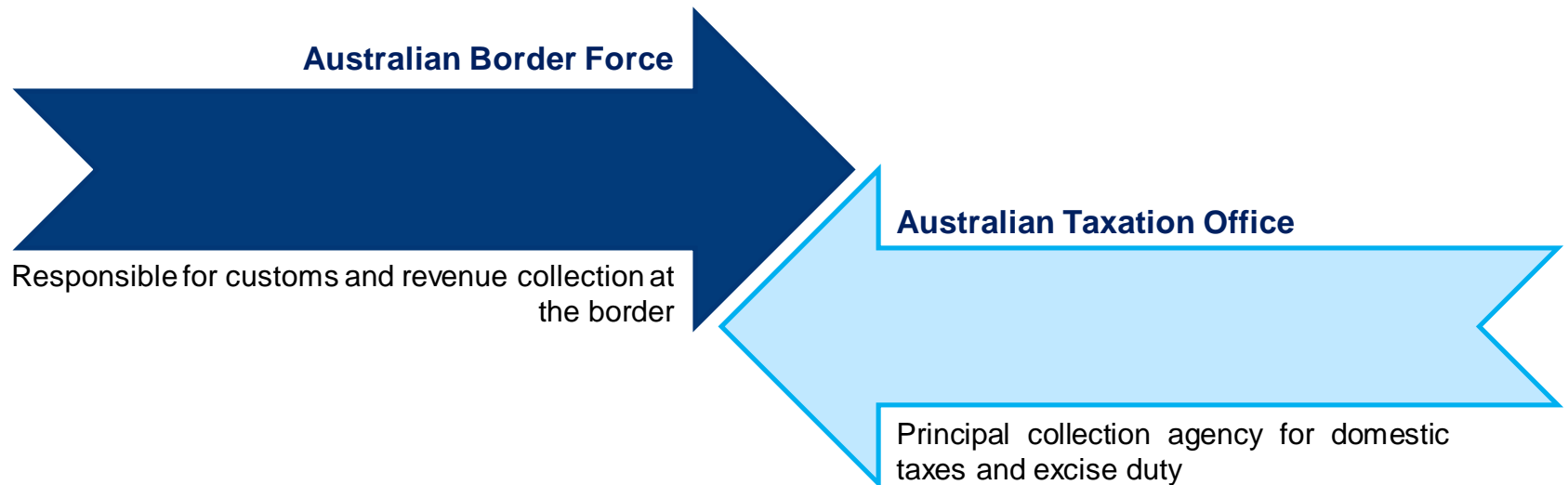
Outcomes

- Streamlines collection processes for E-Commerce goods
- Simplified GST system – specifically designed for non-resident businesses (over 1,700 registered to date)
- AUD 348 million collected in first 12 months (compared to AUD 70 million forecast)



Cooperation

Close cooperation is key to success for revenue collection





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