

## EXPLANATORY STATEMENT

### Customs By-law No. 1244018

#### *Customs Act 1901*

Section 271 of the *Customs Act 1901* (the Act) provides, in part, that where an item of a Customs Tariff is expressed to apply to goods, or to a class or kind of goods, as prescribed by by-law, the Chief Executive Officer of Customs may make by-laws for the purposes of that item. A Customs Tariff is defined in section 4 of the Act to mean an act imposing duties of customs. The *Customs Tariff Act 1995* (the Customs Tariff Act) is a Customs Tariff for the purposes of the Act.

#### **Background**

The *Customs Tariff Amendment (Schedule 4) Act 2012* will repeal the existing Schedule 4 of the Customs Tariff Act and replace it with a new Schedule 4. As part of this process, new by-laws are required for all items that provide for goods to be prescribed by by-law.

Item 16 in the new Schedule 4 replaces item 20C of the previous Schedule 4 to the Customs Tariff Act. Item 16 provides that goods that are covered by an article of a free trade agreement, being an article that is prescribed by by-law that relates to the export of goods from Australia for repair, renovation, alteration or similar processes are dutiable at the rate of “Free”.

New By-law No. 1244018 replaces previous By-law No. 0904400.

#### **Instrument**

By-law No. 1244018 prescribes Article 3.7 of the Australia-Chile Free Trade Agreement. Article 3.7 of the Australia-Chile Free Trade Agreement is “Goods Re-entered after Repair or Alteration”.

The “Australia-Chile Free Trade Agreement” means the Australia-Chile Free Trade Agreement done at Canberra on 30 July 2008.

#### **Consultation**

No consultation was undertaken in relation to By-law No. 1244018 as it does not alter existing arrangements.

#### **Human Rights Implications**

This by-law does not engage, impact on, or limit in any way, the human rights and freedoms recognised or declared in the international instruments listed in the definition of human rights at section 3 of the *Human Rights (Parliamentary Scrutiny) Act 2011*.

#### **Commencement**

By-law No. 1244018 takes effect on and from the date that the *Customs Tariff Amendment (Schedule 4) Act 2012* commences, that is 1 March 2013.