

ENTRY AND PAYMENT TIMEFRAMES FOR ALCOHOL MANUFACTURERS

INTRODUCTION

Changes to strengthen the excise system are aimed at assisting excise payers to meet their excise entry and payment obligations.

Amendments to the Customs and Excise Regulations 1996 (the Regulations) have changed entry and payment timeframes for alcohol manufacturers. In summary, the Regulations provide:

- » that where a licensee is not compliant, entry and payment timeframes can be reduced to monthly
- » from 1 February 2017, all new licensees will be required to complete monthly returns and payments for at least six months. To become eligible for extended timeframes, new licensees will need to demonstrate compliance with entry and payment requirements and show that they have adequate and effective systems to meet these requirements.

ENTRY AND PAYMENT TIMEFRAMES

Excise duty liability*	Frequency	Entry timeframe	Payment timeframe
New licensee Licensee with annual excise duty liability >\$100,000	Monthly	15 th working day from the end of the month in which the goods were removed	Last working day of the month following the month the goods were removed
Licensee with annual excise duty liability \$50,000 ≤ \$100,000	Six monthly	15 th working day of January for goods removed between 1 July and 31 December	Last working day of January
		15 th working day of July for goods removed between 1 January and 30 June	Last working day of July
Licensee with annual excise duty liability ≤\$50,000	Annual	15 th working day of the July immediately following year of removal	Last working day of July

*Excise Duty liability is the total excise duty liability of the licensee for any year commencing 1 July in respect of specified alcoholic products removed from the CCA in that year, as estimated by the licensee.

CHANGING ENTRY AND PAYMENT TIMEFRAMES

From 1 July 2017 a licensee's entry and payment timeframes are changed to monthly if they have not complied with reporting and payment timeframes in the previous year commencing 1 August.

In addition, where Customs has concerns about a licensee's ability to comply it may request 'specified evidence' that the licensee has adequate and effective systems that provide reasonable assurance that all entries and payments will be made within the required timeframes.

If Customs is not satisfied with the 'specified evidence' then the licensee's eligibility to use extended payment timeframes will be suspended. Suspended licensees are required to make monthly entries and payments.

From 1 February 2017, all new licensees will be required to complete monthly returns and payments for at least six months. To become eligible for extended timeframes, new licensees will need to demonstrate compliance with entry and payment requirements and show that they have adequate and effective systems to meet these requirements.

Licensees can apply to Customs for extended entry and payment timeframes (based on their excise liability as set out in the table above) if they meet the following conditions:

- » held their licence for at least six months on 1 July
- » met all excise entry and payment requirements as at 1 August in the previous year; and
- » provided 'specified evidence' that they have adequate and effective systems that provide reasonable assurance that all entries and payments will be made within the required timeframes.

