

EXPLANATORY STATEMENT

Tariff Concessions Revocation Instrument 41/2010

Customs Act 1901

Background

Part XVA of the *Customs Act 1901* (the Act) sets out a scheme under which Tariff Concession Orders (TCOs) may be made and revoked by the Chief Executive Officer of Customs (the CEO). A lower rate of customs duty applies to goods that are the subject of a TCO.

Under sections 269C and 269P of the Act, a TCO will be made if the application for the TCO meets the core criteria, that is, on the day on which the application was lodged, no substitutable goods were produced in Australia in the ordinary course of business.

Subsection 269SD(1A) of the Act provides that the CEO may revoke a TCO if he or she is satisfied on any day that a TCO is no longer required because, in the 2 years preceding that day, the TCO has not been quoted in an import entry to secure a concessional rate of duty.

Instrument

Tariff Concessions Instrument No 41/2010 was made on 26 June 2010. It revokes the TCO's stated in the instrument as the CEO is satisfied that the TCO has not been used in the preceding 2 years.

Consultation

No consultation was undertaken. Since the TCO has not been used in the preceding 2 years, the revocation of the TCO will not have an effect on business.

Commencement

Subsection 269SD(1A) provides that the order revoking the TCO has effect from the day the CEO becomes satisfied that the TCO has not been used in the preceding 2 years.

Subsection 269SD(6) provides that section 269SD has effect despite section 12 of the *Legislative Instruments Act 2003*. Section 12 prohibits the making of certain retrospective legislative instruments.

Tariff Concession Revocation Instrument No.41/2010 revokes the TCO's stated in the instrument with effect from 24 June 2010.