

EXPLANATORY STATEMENT

Select Legislative Instrument 2013 No. 10

Issued by authority of the Assistant Treasurer

Excise Act 1901

Excise Amendment Regulation 2013 (No. 1)

Section 164 of the *Excise Act 1901* provides that the Governor-General may make regulations prescribing matters required or permitted by the Act to be prescribed, or as necessary or convenient to be prescribed for carrying out or giving effect to the Act.

Excise Amendment Regulation 2013 (No. 1) (the Regulation) amends the *Excise Regulations 1925* to make a minor change to the sealed bag scheme (SBS).

The SBS allows international travellers to purchase goods, tax free (excise or customs duty, GST or Wine Equalisation Tax) from duty free stores and certain retail stores. Goods purchased through the SBS are placed in a sealed bag which remains sealed to ensure that the traveller takes the goods out of the country so that the goods cannot be consumed in Australia, and therefore are not subject to Australian taxes.

The Regulation extends the period during which travellers can acquire goods free of excise through the SBS from 30 days to 60 days prior to departure.

Consultation was undertaken on the change and no changes were made as a result of consultation.

The Regulation applies to acquisitions made 60 days or more after the day the Regulation is registered on the Federal Register of Legislative Instruments.

The Regulation commences on the day after it is registered.

The Regulation is a legislative instrument for the purposes of the *Legislative Instruments Act 2003*.

Statement of Compatibility with Human Rights

Prepared in accordance with Part 3 of the Human Rights (Parliamentary Scrutiny) Act 2011

Excise Amendment Regulation 2013 (No. 1)

This Legislative Instrument is compatible with the human rights and freedoms recognised or declared in the international instruments listed in section 3 of the *Human Rights (Parliamentary Scrutiny) Act 2011*.

Overview of the Legislative Instrument

The purpose of the Legislative Instrument is to extend the period for which international travellers can make purchases free of excise through the sealed bag scheme (SBS) from 30 days to 60 days.

Human rights implications

This Legislative Instrument therefore does not engage any of the applicable rights or freedoms. It increases the flexibility of international travellers to access the SBS.

Conclusion

This Legislative Instrument is compatible with human rights as it does not raise any human rights issues.