



Industrial Chemicals Charges (Excise) Regulations 2020

I, General the Honourable David Hurley AC DSC (Retd), Governor-General of the Commonwealth of Australia, acting with the advice of the Federal Executive Council, make the following regulations.

Dated 25 June 2020

David Hurley
Governor-General

By His Excellency's Command

Mark Coulton
Minister for Regional Health, Regional Communications and Local Government

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Part 1—Preliminary

1 Name

This instrument is the *Industrial Chemicals Charges (Excise) Regulations 2020*.

2 Commencement

- (1) Each provision of this instrument specified in column 1 of the table commences, or is taken to have commenced, in accordance with column 2 of the table. Any other statement in column 2 has effect according to its terms.

Commencement information		
Column 1	Column 2	Column 3
Provisions	Commencement	Date/Details
1. The whole of this instrument	Immediately after section 3 of the <i>Industrial Chemicals Charges (Excise) Act 2019</i> commences.	1 July 2020

Note: This table relates only to the provisions of this instrument as originally made. It will not be amended to deal with any later amendments of this instrument.

- (2) Any information in column 3 of the table is not part of this instrument. Information may be inserted in this column, or information in it may be edited, in any published version of this instrument.

3 Authority

This instrument is made under the *Industrial Chemicals Charges (Excise) Act 2019*.

4 Definitions

In this instrument:

Act means the *Industrial Chemicals Charges (Excise) Act 2019*.

article has the same meaning as in the *Industrial Chemicals Act 2019*.

import has the same meaning as in the *Industrial Chemicals Act 2019*.

incidentally-introduced chemical has the same meaning as in the *Industrial Chemicals Act 2019*.

manufacture has the same meaning as in the *Industrial Chemicals Act 2019*.

naturally-occurring chemical has the same meaning as in the *Industrial Chemicals Act 2019*.

non-isolated intermediate has the same meaning as in the *Industrial Chemicals Act 2019*.

Section 4

relevant industrial chemical means an industrial chemical other than any of the following:

- (a) a naturally-occurring chemical;
- (b) a non-isolated intermediate;
- (c) an incidentally-introduced chemical;
- (d) an industrial chemical that:
 - (i) is introduced in goods, equipment, or a vehicle or other machinery; and
 - (ii) is only intended to be released from the goods, equipment, vehicle or other machinery for the purposes of maintaining or servicing the goods, equipment, vehicle or other machinery;
- (e) an industrial chemical that was released from an article that was not designed to release it;
- (f) an industrial chemical that:
 - (i) is imported into Australia; and
 - (ii) remains subject to customs control under the *Customs Act 1901* at all times before leaving Australia; and
 - (iii) leaves Australia within 25 working days beginning the day the industrial chemical is introduced;
- (g) an industrial chemical that:
 - (i) is imported into Australia; and
 - (ii) is subsequently exported from Australia; and
 - (iii) is then re-imported into Australia;
- (h) an industrial chemical that is introduced by an individual solely for the individual's personal use;
- (i) an industrial chemical that is introduced:
 - (i) by an educational institution solely for educational purposes; or
 - (ii) by a not-for-profit entity solely for not-for-profit research; or
 - (iii) by a charity solely for a charitable purpose;
- (j) an industrial chemical that:
 - (i) is introduced incidentally to the carriage of passengers, or the importation of other products, on an aircraft or a ship that leaves Australia within 25 working days beginning the day the industrial chemical is introduced; and
 - (ii) is used to support the operation of the aircraft or ship; and
 - (iii) is not freight.

value of the relevant industrial chemicals introduced by a person in a financial year means the value worked out in accordance with section 6.

Part 2—Registration charge

5 Amount of registration charge

- (1) For the purposes of subsection 7(1) of the Act, the amount of charge payable in relation to the registration of a person under section 17 of the *Industrial Chemicals Act 2019* for a registration year is:
- (a) if the person introduced a relevant industrial chemical in the 12 months preceding the registration year—the amount for the registration year set out in the table in subsection (2); and
 - (b) if the person did not introduce a relevant industrial chemical in the 12 months preceding the registration year—nil.
- (2) For the purposes of paragraph (1)(a), the following table sets out the amount of the charge for a registration year.

Amount of registration charge		
Item	If the value of the relevant industrial chemicals introduced by the person in the financial year preceding the registration year is ...	The amount of charge for the registration year is ...
1	\$0 to \$49,999	nil
2	\$50,000 to \$74,999	\$75
3	\$75,000 to \$99,999	\$100
4	\$100,000 to \$249,999	\$250
5	\$250,000 to \$499,999	\$500
6	\$500,000 to \$2,999,999	\$3,000
7	\$3,000,000 to \$4,999,999	\$5,000
8	\$5,000,000 or more	\$40,000

Note: The value of the relevant industrial chemicals introduced in the preceding financial year is calculated in accordance with section 6.

6 Value of relevant industrial chemicals introduced in financial year

- (1) The **value of the relevant industrial chemicals introduced** by a person in a financial year is the sum of the imported industrial chemical value and the manufactured industrial chemical value, worked out as follows:

$$\left(\begin{array}{c} \text{Customs} \\ \text{value} \end{array} + \begin{array}{c} \text{Insurance and} \\ \text{freight costs} \end{array} + \begin{array}{c} \text{Customs} \\ \text{duty} \end{array} \right) + \left(\begin{array}{c} \text{Labour and} \\ \text{material costs} \end{array} + \begin{array}{c} \text{Factory} \\ \text{costs} \end{array} \right)$$

where:

customs duty means the total duty of customs payable under the *Customs Tariff Act 1995* on any relevant industrial chemicals imported by the person during the financial year.

Section 6

customs value means the total customs value (within the meaning of the *Customs Act 1901*) of any relevant industrial chemicals imported by the person during the financial year.

factory costs means the total cost for the financial year of factory overhead expenses in relation to the manufacture of any relevant industrial chemicals manufactured by the person during the financial year.

insurance and freight costs means the total insurance and freight costs for the financial year that are related to the importation of any relevant industrial chemicals imported by the person during the financial year.

labour and material costs means the total cost for the financial year of labour and materials employed in the manufacture of any relevant industrial chemicals manufactured by the person during the financial year.

(2) If:

- (a) a person has imported relevant industrial chemicals in the financial year; and
- (b) the person has manufactured relevant industrial chemicals in the financial year; and
- (c) some or all of the imported relevant industrial chemicals were used during the financial year as ingredients or components in the manufacture by the person of one or more other relevant industrial chemicals;

the value of the relevant industrial chemicals introduced for the financial year worked out under subsection (1) is reduced as follows:

Total value of relevant industrial
chemicals introduced – Manufacture use value

where:

manufacture use value, for an imported relevant industrial chemical, means so much of the value of the relevant industrial chemical introduced in the financial year as can be apportioned to the use of the relevant industrial chemical in the manufacture by the person of one or more other relevant industrial chemicals during the financial year.

total value of relevant industrial chemicals introduced means the value of the relevant industrial chemicals introduced by the person in the financial year worked out in accordance with subsection (1).

- (3) The value of the relevant industrial chemical introduced by a person in a financial year worked out under subsections (1) and (2) is to be rounded to the nearest whole dollar (rounding 50 cents upwards).