

MEDIA RELEASE

For immediate release



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Government was set to lower GST threshold on imports

The Fair Imports Alliance said documents released under Freedom of Information (FOI) revealed the Government was planning on reducing the low value importation threshold for overseas purchases from \$1000 to \$500 in October 2010.

The Fair Imports Alliance spokesperson Brad Kitschke said the documents released under the FOI showed the Government went so far as to ask for advice from Customs and Treasury as to the earliest possible start date for a threshold reduction.

"The documents disclose that 1 July 2011 was nominated as the start date for a lower threshold and that Customs provided advice that a reduced threshold was administratively feasible," Kitschke said

"The Government has always claimed a lower threshold would be administratively unfeasible but these documents reveal otherwise. They show that it could be done, that plans were in place to reduce the threshold and advice was sought as to the earliest possible start date.

"This information demonstrates the Government was giving serious consideration to reducing the GST threshold on imports prior to the announcement of the Productivity Commission Inquiry. Now that we have proof a lower threshold is both administratively feasible and economically beneficial we eagerly await the Productivity Commission's recommendations when its draft report is released in August.

"The Government established the Productivity Commission Inquiry and we have to put our faith in that process, even though politicians from all sides continually undermine the Inquiry by pre-empting the outcome and opposing a lower threshold. We want politicians to have an open mind to the outcome of the Inquiry. No matter what, we won't stop fighting for the retail sector and the reform that is needed," Kitschke said.

The documents released under Freedom of Information can be seen here

<http://www.customs.gov.au/webdata/resources/files/Document5.pdf>

<http://www.customs.gov.au/webdata/resources/files/Document3.pdf>

<http://www.customs.gov.au/webdata/resources/files/Document4.pdf>

<http://www.customs.gov.au/webdata/resources/files/Document6.pdf>

The Fair Imports Alliance comprises the following organisations: Australian Retailers Association (ARA), Australian Sporting Goods Association (ASGA), Bicycle Industries Australia (BIA), Australian Toy Association (ATA), Photo Marketing Association (PMA), Australian Fishing Trade Association (AFTA), Australian Booksellers Association (ABA), Australian Music Association (AMA) and the Retail Cycle Traders Australian (RCTA). For more information visit: www.fairimportsalliance.org.au or email fairimportsalliance@retail.org.au or call 1300 368 041.

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For interviews with Fair Imports Alliance spokesperson Brad Kitschke call 0403 809 630



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