



Customs and Excise Amendment Regulations (No 2) 2019

Rt Hon Dame Helen Winkelmann, Administrator of the Government

Order in Council

At Wellington this 21st day of October 2019

Present:

Her Excellency the Administrator of the Government in Council

These regulations are made under sections 403, 406(1)(b), and 409(1)(b) of the Customs and Excise Act 2018—

- (a) on the advice and with the consent of the Executive Council; and
- (b) on the recommendation of the Minister of Customs made after complying with the consultation requirements of sections 406(2) and 409(3) of that Act.

Contents

	Page
1 Title	2
2 Commencement	2
3 Principal regulations	2
4 Regulation 13A amended (Inward cargo transaction fee)	2
5 Regulation 24A amended (Import entry transaction fee)	2
6 Regulation 25 amended (Certain imported goods exempt from entry)	2
7 Regulation 26 amended (Certain goods deemed to be entered)	2
8 Regulation 70 amended (Minimum amount of duty collectable)	2
9 Schedule 1AA amended	3
Schedule	3
New Part 2 of Schedule 1AA inserted	

Regulations

1 Title

These regulations are the Customs and Excise Amendment Regulations (No 2) 2019.

2 Commencement

These regulations come into force on 1 December 2019.

3 Principal regulations

These regulations amend the Customs and Excise Regulations 1996 (the **principal regulations**).

4 Regulation 13A amended (Inward cargo transaction fee)

In regulation 13A(1)(b)(ii), replace “or the total duty payable is less than \$60” with “or the goods have a Customs value equal to or less than \$1,000”.

5 Regulation 24A amended (Import entry transaction fee)

Replace regulation 24A(1) with:

- (1) An import entry transaction fee of \$29.26 must be paid in relation to goods that have a Customs value of more than \$1,000 by every person—
 - (a) who makes (whether voluntarily or in compliance with the Act) an import entry for the goods under section 75(1) of the Act;
 - (b) in respect of whom a requirement under regulation 25(1)(i)(iii) to lodge a document for the goods is complied with;
 - (c) who gives security for the goods because the chief executive is satisfied that the goods have been temporarily imported in accordance with section 136(1) of the Act.

6 Regulation 25 amended (Certain imported goods exempt from entry)

Replace regulation 25(1)(i)(iii) with:

- (iii) any requirement of the chief executive for the lodgement of any document (not being an entry) in respect of those goods is complied with:

7 Regulation 26 amended (Certain goods deemed to be entered)

In regulation 26(1)(c), replace “is less than \$1,000” with “is equal to or less than \$1,000”.

8 Regulation 70 amended (Minimum amount of duty collectable)

- (1) Replace the heading to regulation 70 with “**Duty not collectable on goods worth \$1,000 or less**”.

- (2) Replace regulation 70(1) with:
- (1) Duty need not be collected on goods that have a Customs value equal to or less than \$1,000.
- (3) In regulation 70(2),—
- (a) replace “below \$60” with “on those goods”;
 - (b) paragraph (a), replace “when goods” with “when the goods”;
 - (c) paragraph (b), replace “of goods” with “of the goods”.
- (4) In regulation 70(3)(aa), delete “(as defined by section 76A of the Act)”.
- (5) In regulation 70(3)(ab), delete “(as defined by section 76A of the Act)”.

9 Schedule 1AA amended

In Schedule 1AA, after Part 1, insert the Part 2 set out in the Schedule of these regulations.

Schedule New Part 2 of Schedule 1AA inserted

r 9

Part 2 Provision relating to Customs and Excise Amendment Regulations (No 2) 2019

5 Application of new de minimis rules

Regulations 13A, 24A, 25, 26, and 70(1) and (2), as amended by the Customs and Excise Amendment Regulations (No 2) 2019, apply only in respect of goods that are imported on or after 1 December 2019.

Martin Bell,
for Clerk of the Executive Council.

Explanatory note

This note is not part of the regulations, but is intended to indicate their general effect.

These regulations, which come into force on 1 December 2019, amend the Customs and Excise Regulations 1996 (the **principal regulations**).

The principal regulations provide for a threshold under which duty is not collected on goods imported into New Zealand. Duty is not collected on goods if the amount of

duty that would be payable on the goods is less than \$60. (In most cases, \$60 is the amount of duty payable on goods with a value of \$400.)

These regulations amend regulation 70 of the principal regulations to change the way that the threshold is expressed and to increase the threshold. When these regulations come into force,—

- the threshold will be expressed in terms of the value of the goods rather than the duty that would be payable on the goods; and
- duty will not be collected on goods that have a value equal to or less than \$1,000.

The value of goods is to be determined in accordance with Schedule 4 of the Customs and Excise Act 2018.

These regulations also make consequential amendments to regulations 13A, 24A, 25, and 26 of the principal regulations.

These regulations are related to changes made to the Goods and Services Tax Act 1985 by the Taxation (Annual Rates for 2019–20, GST Offshore Supplier Registration, and Remedial Matters) Act 2019. Those changes, which come into force on 1 December 2019, will require offshore suppliers of goods (and some others) to register for the purposes of that Act and to collect and pay GST on goods with a value equal to or less than \$1,000 that are supplied to people in New Zealand from outside New Zealand.

Regulatory impact assessment

The Inland Revenue Department produced regulatory impact assessments on 5 September 2018 and 21 May 2019 to help inform the decisions taken by the Government relating to the contents of this instrument.

Copies of these regulatory impact assessments can be found at—

- <http://taxpolicy.ird.govt.nz/publications/2019-ria-gst-low-value-imported-goods/overview>
- <http://www.treasury.govt.nz/publications/informationreleases/ria>

Issued under the authority of the Legislation Act 2012.

Date of notification in *Gazette*: 24 October 2019.

These regulations are administered by the New Zealand Customs Service.