

CUSTOMS AMENDMENT BILL (NO. 2)

EXPLANATORY NOTE

THIS Bill amends the Customs Act 1966 to give effect to the Budget announcements in respect of—

- (a) The increases in import duty on cigars, snuff, cigarettes, and other manufactured tobacco:
- (b) The increases in excise duty on tobacco, cigarettes, cigars, and snuff manufactured in New Zealand.

Clause 1 relates to the Short Title and commencement. This Bill is to come into force on 29 July 1988.

Clause 2 amends Part I of the Customs Tariff to provide for increases in the rates of duty on cigars, snuff, cigarettes, and other manufactured tobacco.

Clause 3 amends the Third Schedule to the principal Act by imposing new rates of excise duty on tobacco, cigarettes, cigars, and snuff manufactured in New Zealand.

No. 67—1

Price
incl. GST \$1.90

Hon. T. A. de Cleene

CUSTOMS AMENDMENT (NO. 2)

ANALYSIS

Title 1. Short Title and commencement	2. Amendment of Customs Tariff 3. Excise duties Schedules
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A BILL INTITULED

An Act to Amend the Customs Act 1966

BE IT ENACTED by the Parliament of New Zealand as follows:

5 **1. Short Title and commencement**—(1) This Act may be cited as the Customs Amendment Act (No. 2) 1988, and shall be read together with and deemed part of the Customs Act 1966* (hereinafter referred to as the principal Act).

(2) This Act shall come into force on the 29th day of July 1988.

10 **2. Amendment of Customs Tariff**—(1) The Second Schedule to the principal Act (as substituted by section 10 (1) of the Customs Amendment Act (No. 4) 1987) is hereby amended by repealing so much of Part I of the Customs Tariff as relates
15 2402.10.00, 2402.20.01, 2402.20.09, 2402.90.01, 2402.90.11, 2402.90.19, 2403.10.01, 2403.10.09, 2403.91.01, 2403.91.09, 2403.99.01, 2403.99.09, and 2403.99.19, and substituting the items, rates of duty, exemptions from duty, and statistical key specified in the First Schedule to this Act.

20 (2) The Customs Amendment Act (No. 4) 1987 is hereby consequentially amended by repealing so much of the First Schedule as relates to items 2402.10.00, 2402.20.01,

*R. S. Vol. 2, p. 57

Amendments: 1979, No. 7; 1979, No. 137, Part I; 1980, No. 5, Part I; 1980, No. 33, Part I; 1981, No. 2, Part I; 1981, No. 5, Part I; 1982, No. 9, Part I; 1982, No. 112, Part I; 1983, No. 5, Part I; 1983, No. 41, Part I; 1984, No. 6, Part I; 1985, No. 131; 1985, No. 145, Part I; 1986, No. 44; 1987, No. 63; 1987, No. 75; 1987, No. 89; 1987, No. 128; 1988, No. 17

2402.20.09, 2402.90.01, 2402.90.11, 2402.90.19, 2403.10.01,
2403.10.09, 2403.91.01, 2403.91.09, 2403.99.01, 2403.99.09,
and 2403.99.19.

(3) Every reference in any other enactment (including any
Order in Council) in force at the commencement of this Act to 5
any Tariff item referred to in **subsection (1)** of this section shall
thereafter, unless the context otherwise requires, be read as a
reference to the corresponding item of the Tariff as substituted
by that subsection.

3. Excise duties—The Third Schedule to the principal Act 10
(as substituted by clause 5 of the Customs Tariff (Harmonised
System) Amendment Order 1987*) is hereby amended by
repealing so much of the order as relates to excise items
99.60.10E, 99.60.15C, 99.60.20B, 99.65.10G, 99.65.20D,
99.65.30A, 99.65.40J, 99.65.50F, 99.65.55G, and 99.65.60C, and 15
substituting the items set out in the **Second** Schedule to this Act.

Section 2 (1)

SCHEDULES
FIRST SCHEDULE
CUSTOMS TARIFF
ITEMS, RATES OF DUTY, EXEMPTIONS FROM DUTY, AND STATISTICAL KEY SUBSTITUTED
PART I
THE STANDARD TARIFF

Number	Statistical Key		Goods	Rates of Duty	
	Code	Unit		Normal Tariff	Preferential Tariff

24.02 Cigars, cheroots, cigarillos and cigarettes, of tobacco or of tobacco substitutes:

2402.10.00			- Cigars, cheroots and cigarillos, containing tobacco	per kg	AU \$15.59 <i>plus</i> 15 <i>plus</i> 105 1/89 <i>plus</i> 120 4/89 <i>plus</i> 135 CA \$15.59 <i>plus</i> 15 <i>plus</i> 105 1/89 <i>plus</i> 120 4/89 <i>plus</i> 135 LDC \$15.59 <i>plus</i> 15 <i>plus</i> 105 1/89 <i>plus</i> 120 4/89 <i>plus</i> 135 LLDC \$15.59 <i>plus</i> 105 1/89 <i>plus</i> 120 4/89 <i>plus</i> 135 Pac \$15.59 <i>plus</i> 105 1/89 <i>plus</i> 120 4/89 <i>plus</i> 135
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01F . . . Weighing less than 500 g per 100
 09A . . . Other

FIRST SCHEDULE—continued

Number	Statistical Key		Goods	Rates of Duty
	Code	Unit		
2402.20			Cigars, cheroots, etc.—continued	
2402.20.01	00H	kg	- Cigarettes containing tobacco: -- Exceeding in weight 1.134 kg per 1,000	per kg
				AU \$24.86 plus 15
				plus 105
				1/89 plus 120
				4/89 plus 135
				LDC \$24.86
				plus 15
				plus 105
				1/89 plus 120
				4/89 plus 135
				LLDC \$24.86
				plus 105
				1/89 plus 120
				4/89 plus 135
				Pac \$24.86
				plus 105
				1/89 plus 120
				4/89 plus 135
2402.20.09	00J	Th	-- Not exceeding in weight 1.134 kg per 1,000	per 1,000
				\$28.21
				plus 15
				plus 105
				1/89 plus 120
				4/89 plus 135
				LDC \$28.21
				plus 15
				plus 105
				1/89 plus 120
				4/89 plus 135

LLDC \$28.21
 plus 105
 1/89 plus 120
 4/89 plus 135
 Pac \$28.21
 plus 105
 1/89 plus 120
 4/89 plus 135

AU \$15.59
 plus 15
 plus 105
 1/89 plus 120
 4/89 plus 135
 CA \$15.59
 plus 15
 plus 105
 1/89 plus 120
 4/89 plus 135
 LDC \$15.59
 plus 15
 plus 105
 1/89 plus 120
 4/89 plus 135
 LLDC \$15.59
 plus 105
 1/89 plus 120
 4/89 plus 135
 Pac \$15.59
 plus 105
 1/89 plus 120
 4/89 plus 135

\$15.59
 plus 20
 plus 105
 1/89 plus 120
 4/89 plus 135

-- Other:
 -- Cigars, cheroots and cigarillos, containing tobacco
 substitutes per kg

2402.90
 2402.90.01

01A kg . . . Weighing less than 500g per 100
 09G kg . . . Other

FIRST SCHEDULE—continued

Number	Statistical Key		Goods	Rates of Duty	
	Code	Unit			Normal Tariff
2402.90.11	00j	kg	Cigars, cheroots, etc.—continued —Other—continued -- Cigarettes containing tobacco substitutes: --- Exceeding in weight 1.134kg per 1,000	per kg	AU \$24.86 plus 15 plus 105 1/89 plus 120 4/89 plus 135 LDC \$24.86 plus 15 plus 105 1/89 plus 120 4/89 plus 135 LLDC \$24.86 plus 105 1/89 plus 120 4/89 plus 135 Pac \$24.86 plus 105 1/89 plus 120 4/89 plus 135
					\$24.86 plus 20 plus 105 1/89 plus 120 4/89 plus 135
2402.90.19	00k	Th	--- Not exceeding in weight 1.134 kg per 1,000	per 1,000	AU \$28.21 plus 15 plus 105 1/89 plus 120 4/89 plus 135 LDC \$28.21 plus 15 plus 105 1/89 plus 120 4/89 plus 135
					\$28.21 plus 20 plus 105 1/89 plus 120 4/89 plus 135

Pac \$28.21
 plus 105
 1/89 plus 120
 4/89 plus 135

24.03 Other manufactured tobacco and manufactured tobacco substitutes; "homogenised" or "reconstituted" tobacco; tobacco extracts and essences:

- Smoking tobacco, whether or not containing tobacco substitutes in any proportion:

-- For further manufacture in a licensed manufacturing area

20

kg

00B

2403.10.01

00B

kg

-- Other

per kg

\$18.64

plus 20

plus 105

1/89 plus 120

4/89 plus 135

AU 15
 CA 15

LLDC Free

Pac Free

AU \$18.64

plus 15

plus 105

1/89 plus 120

4/89 plus 135

CA \$18.64

plus 15

plus 105

1/89 plus 120

4/89 plus 135

LLDC \$18.64

plus 105

1/89 plus 120

4/89 plus 135

Pac \$18.64

plus 105

1/89 plus 120

4/89 plus 135

01A kg . . . Pipe

09G kg . . . Cigarette

19D kg . . . Other

FIRST SCHEDULE—continued

Number	Statistical Key		Goods	Rates of Duty	
	Code	Unit		Normal Tariff	Preferential Tariff
2403.91					
2403.91.01	00F	kg	Other manufactured tobacco, etc.—continued — Other: — — “Homogenised” or “reconstituted” tobacco: — — — For further manufacture in a licensed manufacturing area	20	AU 15 CA 15 LLDC Free Pac Free AU \$18.64 plus 15 plus 105 1/89 plus 120 4/89 plus 135 CA \$18.64 plus 15 plus 105 1/89 plus 120 4/89 plus 135 LDC \$18.64 plus 15 plus 105 1/89 plus 120 4/89 plus 135
2403.91.09			— — — Other		per kg \$18.64 plus 20 plus 105 1/89 plus 120 4/89 plus 135

Customs Amendment (No. 2)

LLDC \$18.64
 plus 105
 1/89 plus 120
 4/89 plus 135
 Pac \$18.64
 plus 105
 1/89 plus 120
 4/89 plus 135

AU \$21.40
 plus 105
 1/89 plus 120
 4/89 plus 135
 CA \$21.40
 plus 105
 1/89 plus 120
 4/89 plus 135
 LLDC \$15.59
 plus 105
 1/89 plus 120
 4/89 plus 135
 Pac \$15.59
 plus 105
 1/89 plus 120
 4/89 plus 135
 Free

per kg \$21.68
 plus 105
 1/89 plus 120
 4/89 plus 135

Free

01E kg Pipe
 09L kg Cigarette
 19H kg Other
 -- Other:
 00B kg -- -- Snuff

2403.99
 2403.99.01

00c kg -- -- Tobacco extracts and essences

2403.99.09

FIRST SCHEDULE—continued

Number	Statistical Key		Goods	Rates of Duty	
	Code	Unit		Normal Tariff	Preferential Tariff
2403.99.19			per kg	AU \$18.64 plus 15 plus 105 1/89 plus 120 4/89 plus 135	AU \$18.64 plus 15 plus 105 1/89 plus 120 4/89 plus 135 CA \$18.64 plus 15 plus 105 1/89 plus 120 4/89 plus 135 LDC \$18.64 plus 15 plus 105 1/89 plus 120 4/89 plus 135 LLDC \$18.64 plus 105 1/89 plus 120 4/89 plus 135 Pac \$18.64 plus 105 1/89 plus 120 4/89 plus 135
			Other manufactured tobacco, etc.—continued		
			- Other—continued		
			-- Other—continued		
			--- Other		

SECOND SCHEDULE
 ITEMS SUBSTITUTED IN THIRD SCHEDULE TO CUSTOMS ACT 1966
 EXCISE DUTIES

Section 3

Excise Item Number	Goods	Unit	Rates of Duty
99.60	Cigars, cheroots, cigarillos and cigarettes of tobacco or of tobacco substitutes which, if imported, would be classified within Tariff item 2402.10.00, 2402.20.01, 2402.20.09, 2402.90.01, 2402.90.11 or 2402.90.19;		
99.60.10E	- Cigars, cheroots and cigarillos	per kg	\$15.59 plus 105 1/89 plus 120 4/89 plus 135
99.60.15C	- Cigarettes exceeding in weight 1.134 kg per 1,000	per kg	\$24.86 plus 105 1/89 plus 120 4/89 plus 135
99.60.20B	- Cigarettes not exceeding in weight 1.134 kg per 1,000	per 1,000	\$28.21 plus 105 1/89 plus 120 4/89 plus 135
99.65	Other manufactured tobacco and manufactured tobacco substitutes, and "homogenised" or "reconstituted" tobacco which, if imported, would be classified within Tariff item 2403.10.09, 2403.91.09, 2403.99.01 or 2403.99.19;		
99.65.10G	- Smoking tobacco, whether or not containing tobacco substitutes: - - Pipe	per kg	\$18.64 plus 105 1/89 plus 120 4/89 plus 135

99.65.20D	-- Cigarette	per kg	\$18.64 plus 105 1/89 plus 120 4/89 plus 135
99.65.30A	Other: -- "Homogenised" or "reconstituted" tobacco: -- Pipe	per kg	\$18.64 plus 105 1/89 plus 120 4/89 plus 135
99.65.40J	-- Cigarette	per kg	\$18.64 plus 105 1/89 plus 120 4/89 plus 135
99.65.50F	Other: -- Snuff: -- Containing less than 75 percent of tobacco grown in New Zealand	per kg	\$16.61 plus 105 1/89 plus 120 4/89 plus 135
99.65.55G	-- Containing 75 percent or more of tobacco grown in New Zealand	per kg	\$15.59 plus 105 1/89 plus 120 4/89 plus 135
99.65.60c	-- Other	per kg	\$18.64 plus 105 1/89 plus 120 4/89 plus 135