



2 May 2011

The General Manager  
Indirect Tax Division  
The Treasury  
Langton Crescent  
PARKES ACT 2600

Dear Sir/Madam,

**RE: Tourist Shopping Review – The Sealed Bag Scheme and the Tourist Refund Scheme**

Thank you for the opportunity to provide comments on the proposed changes to the Sealed Bag Scheme (SBS) and the Tourist Refund Scheme (TRS). The Department of Resources, Energy and Tourism has reviewed the proposed changes and provides the following comments from the Tourism Division.

The Department supports the proposed changes to the SBS. The proposed purchasing time restriction change can be expected to benefit the tourism industry by allowing travellers to purchase duty or tax-free purchases up to 60 days (an increase on the current 30 day provision) prior to departure. The suggested change in the declaration of liquids, aerosols, gels, creams, and pastes purchased from off-airport duty free retailers, and carried in checked baggage, will ensure consistency with international security restrictions.

The Department also supports the proposed changes to the TRS scheme. The TRS is an important element of the tourism industry. According to Tourism Research Australia international tourists spent \$2.3 billion dollars in Australia in 2010 on shopping. The suggested changes to the TRS will enhance the current system by making shopping in Australia more attractive, especially to those travellers who see shopping as a tourist attraction; namely through:

- changes to the time available to purchase goods from 30 days to 60 days; and
- allowing travellers to aggregate multiple invoices from single retailers in order to meet the \$300 threshold.

The Department would support further expansion of the second amendment. The Department suggests that the traveller be allowed to aggregate multiple invoices from multiple retailers to meet the threshold. This approach will support small and regional businesses throughout Australia while providing greater flexibility to travellers.


Additionally, the Department believes the TRS refund options should be expanded to reimburse travellers in cash or a cash equivalent, such as a Visa debit card. We note that

another opportunity for travellers to spend prior to departing Australia. Further, RET would support a TRS refund facility located closer to the check in counters of the airport. This would allow purchases that meet the spend threshold but exceed hand luggage restrictions to qualify under the scheme for processing. This would also provide travellers with greater flexibility in the purchase of goods, especially those fragile or large in nature.

The Department looks forward to working with the Treasury and Australian Customs and Border Protection Service to facilitate an increase in awareness, knowledge and utilisation of the TRS by international visitors.

If you have any questions in relation to this matter please contact Helen Cox, General Manager, Market Competiveness Branch, Tourism Division on 02 6213 7050.

Yours sincerely,



Jane Madden  
Head of Tourism Division