

2 December 2016

Manager  
Indirect Taxes and Not-For-Profit Unit  
Individuals and Indirect Tax Division  
The Treasury  
Langton Crescent  
PARKES ACT 2600

And by email: [lowvaluegoods@treasury.gov.au](mailto:lowvaluegoods@treasury.gov.au)

Dear Mr Lyon

**Treasury Laws Amendment (2017 Measures No. 1) Bill 2017: Low value imported goods**

Thank you for the opportunity to comment on the *Treasury Laws Amendment (2017 Measures No. 1) Bill 2017: Low value imported goods*.

The Bill seeks to broaden the scope of the application of the Goods and Services Tax (GST), and ensure that certain supplies of 'low value goods' (\$1,000 or less) imported by consumers in Australia will have equivalent GST treatment to goods sourced domestically, through a 'vendor registration collection model'.

The Bill seeks to amend the *A New Tax System (Goods and Services Tax) Act 1999* ('the GST Act') law to implement the decision made in the 2016-17 Federal Budget, effective from 1 July 2017.


The Bill will require overseas vendors, electronic distribution platforms and goods forwarders (e.g. freight) to register for and pay GST on sales of low value goods to consumers in Australia, if they sell \$75,000 or more of low value goods.

While we have not commissioned legal advice on the Bill, we support its intention.

We have also reviewed and support the scope of the Bill to define the supply of 'low value goods', the treatment of suppliers of low value goods, and prevent double-taxation.

We note that some suppliers of low value goods may seek to re-structure themselves to avoid registration and collection of the GST under the proposed legislation. We trust that the Government will monitor this issue, and seek to address any significant loopholes that may emerge.

We are pleased that the Government is taking this action to provide a more level playing field for the Australian retail sector.

We would welcome an opportunity to discuss this submission with you. I can be contacted on 

Yours sincerely

 2.12.16

Angus Nardi  
**Executive Director**