

EXPOSURE DRAFT

2016-2017-2018

The Parliament of the
Commonwealth of Australia

HOUSE OF REPRESENTATIVES

EXPOSURE DRAFT

Excise Laws Amendment (Collecting Tobacco Duties at Manufacture) Bill 2018

No. , 2018

(Treasury)

**A Bill for an Act to amend the law relating to
tobacco excise duties, and for related purposes**

EXPOSURE DRAFT

EXPOSURE DRAFT

Contents

1	Short title.....	1
2	Commencement.....	1
3	Schedules.....	2
Schedule 1—Amendments		3
	<i>Excise Act 1901</i>	3
	<i>Taxation Administration Act 1953</i>	5

EXPOSURE DRAFT

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Commencement information

Column 1	Column 2	Column 3
Provisions	Commencement	Date/Details
1. Sections 1 to 3 and anything in this Act not elsewhere covered by this table	The day this Act receives the Royal Assent.	
2. Schedule 1	The first 1 January, 1 April, 1 July or 1 October to occur after the day this Act receives the Royal Assent.	

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Note: This table relates only to the provisions of this Act as originally enacted. It will not be amended to deal with any later amendments of this Act.

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(2) Any information in column 3 of the table is not part of this Act. Information may be inserted in this column, or information in it may be edited, in any published version of this Act.

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3 Schedules

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Legislation that is specified in a Schedule to this Act is amended or repealed as set out in the applicable items in the Schedule concerned, and any other item in a Schedule to this Act has effect according to its terms.

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EXPOSURE DRAFT

Schedule 1—Amendments

Excise Act 1901

1 Subsection 4(1)

Insert:

tobacco goods means goods mentioned in subitem 5.1, 5.5 or 5.8 of the table in the Schedule to the *Excise Tariff Act 1921*.

2 At the end of subsection 39A(2)

Add:

; or (m) in relation to an application for a manufacturer licence that permits the manufacture of any tobacco goods—the applicant has previously failed to comply with a requirement to provide security under section 16.

3 At the end of subsection 39D(3)

Add:

Note: If the licence permits the manufacture of tobacco goods, the Collector must state the tobacco excise period in the licence and the licence holder must give a tobacco excise return for each tobacco excise period, see section 66.

4 After paragraph 39G(1)(m)

Insert:

(ma) in relation to a manufacturer licence that permits the manufacture of any tobacco goods—the licence holder has failed to comply with a requirement to provide security under section 16 in relation to that licence; or

5 At the end of section 54

Add:

(4) To avoid doubt, if the excisable goods are tobacco goods, only the licensed manufacturer of the goods is liable to pay Excise duty on the goods.

EXPOSURE DRAFT

Schedule 1 Amendments

1 Note: Under subsection 66(7), tobacco goods are taken to be entered, and
2 delivered, for home consumption at the time they are manufactured.

3 **6 Subsection 61C(1)**

4 After “deliver goods”, insert “(other than tobacco goods)”.

5 **7 Before section 68**

6 Insert:

7 **66 Payment of duty relating to tobacco goods**

- 8 (1) If the Collector grants a person a licence under subsection 39A(1)
9 that permits the manufacture of any tobacco goods, the Collector
10 must determine a recurring 7 day period (the *tobacco excise*
11 *period*) for the licence.
- 12 (2) However, if the licence is granted on a day that is not the first day
13 of the tobacco excise period, the Collector must determine the first
14 tobacco excise period to be the period from that day until the day
15 before the next tobacco excise period starts.
- 16 (3) The tobacco excise period, and any tobacco excise period
17 determined under subsection (2), must be stated in the licence.
- 18 (4) The person must, for each tobacco excise period for the licence that
19 begins before the licence ends or is cancelled, give a tobacco
20 excise return to the Collector which includes:
21 (a) the amount (including a nil amount) of tobacco goods
22 manufactured under the licence during the period; and
23 (b) the amount of the Excise duty payable on those tobacco
24 goods.
- 25 (5) The return must be:
26 (a) in the approved form; and
27 (b) given to the Collector:
28 (i) on the first business day after the tobacco excise period
29 ends; or
30 (ii) if the licence ends or is cancelled during the tobacco
31 excise period—on the first business day after the day
32 the licence ends or is cancelled.
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EXPOSURE DRAFT

Amendments **Schedule 1**

1 (6) The Excise duty on the tobacco goods manufactured under the
2 licence during the tobacco excise period is due and payable by the
3 person on the same day that the return must be given for that
4 period.

5 (7) For the purposes of this Act, the tobacco goods manufactured
6 under the licence during the tobacco excise period are taken to be
7 entered for home consumption, and delivered for home
8 consumption, at the time the goods are manufactured.

9 **67 General interest charge on unpaid duty**

10 If any of the Excise duty remains unpaid after it is due under
11 subsection 66(6), the person liable to pay the duty is liable to pay
12 the general interest charge (within the meaning of the *Taxation*
13 *Administration Act 1953*) on the unpaid amount of the Excise duty
14 for each day in the period that:

- 15 (a) started at the beginning of the day by which the amount was
16 due to be paid; and
17 (b) finishes at the end of the last day, at the end of which, any of
18 the following remains unpaid:
19 (i) the amount;
20 (ii) general interest charge on any of the amount.

21 Note: The general interest charge is worked out under Part IIA of the
22 *Taxation Administration Act 1953*.

23 **8 Paragraph 59(a)**

24 Omit “section 61C(2)”, substitute “subsection 61C(2) or 66(7)”.

25 ***Taxation Administration Act 1953***

26 **9 Subsection 8AAB(4) (after table item 3A)**

27 Insert:

3B	67	<i>Excise Act 1901</i>	payment of excise duty for tobacco goods
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EXPOSURE DRAFT

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Schedule 1 Amendments

1 **10 Application of amendments**

2 The amendments made by this Schedule apply in relation to tobacco
3 goods manufactured on or after 1 July 2019.

6 *Excise Laws Amendment (Collecting Tobacco Duties at Manufacture) No. , 2018*
Bill 2018

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