



GOODS CLEARANCE FEES REVIEW

Customs is reviewing its fees for clearing import and export goods to ensure they accurately reflect costs, are equitable, and transparent.

A lot has changed since we last substantially reviewed our fees in 2006 - the volume and nature of goods crossing the border, the risks, and the costs of clearing import and export goods.

The review involves:

- › considering who should pay for Customs' goods clearance activities
- › understanding the actual cost of those activities by applying an activity-based costing methodology
- › identifying the appropriate fees to recover costs.

We would like to hear what you think of our proposals, particularly on the practical implications for you and/or your business.

See our website for information on the review and a copy of the discussion document, *Recovering the costs of Customs' goods clearance activities*, which outlines how we arrived at the proposed fees: www.customs.govt.nz/fees-review.

We are accepting submissions until 5pm on **30 August 2019**. If you have any questions or would like to meet us to discuss the proposals, please email feesreview@customs.govt.nz.

Proposed changes

- › Recovering the costs of investigations involving goods and seizing forfeited goods.
- › Adjusting our fees to more accurately reflect the cost of clearing air and sea cargo.
- › Dividing the OCTF into two transaction fees - Cargo Report Export (CRE) and the Outward Cargo Report (OCR) to reflect the work (and therefore the cost) of processing these two different types of report.
- › Recovering costs of clearing imported goods valued at \$1000 or less through the ICTF.
- › No longer requiring intellectual property rights-holders to pay a \$5000 security bond, and instead recovering the costs of storing and disposing of infringing goods, and legal proceedings, directly from rights holders.
- › Updating the hourly rate for Customs officers to reflect the costs of providing this service, and introducing a three-hour minimum fee (including travel time).

Proposed fees for next two years

The proposed fees are based on forecast actual costs of goods clearance activities, and are presented as a range. Fees are reducing where our costs are less and increasing where they are higher.

We are not proposing to fully recover the cost from the Inward Cargo Transaction Fee for air cargo (ICTF Air) and the Outward Cargo Transaction Fee - Cargo Report Export for air cargo (OCTF-CRE Air). We are proposing to introduce a smaller fee and review our fees after two years to provide time to work with industry so that we can consider the impact of the fee changes.

Imports

Fees	Current fee (inclusive of GST)	Proposed fee (inclusive of GST)
Import Entry Transaction Fee	\$29.26 per entry	\$31.80 - \$35.00 per entry
Inward Cargo Transaction Fee	Cargo by air \$30.66 per report	Cargo by air \$75.00 - \$79.00 per report
	Cargo by sea \$359.82 per report	Cargo by sea \$450.00 - \$520.00 per report

Exports

Fees	Current fee (inclusive of GST)	Proposed fee (inclusive of GST)
Export Entry Transaction Fee Secure Exports Scheme (SES) members	\$12.01 per entry	\$3.10 - \$3.50 per entry
Export Entry Transaction Fee Non-SES members	\$17.94 per entry	\$6.80 - \$7.60 per entry
Outward Cargo Transaction Fee	Cargo by air \$11.51 per report	CRE Air \$39.00 - \$41.00 per report
		OCR Air \$22.80 - \$24.50 per report
	Cargo by sea \$28.83 per report	CRE Sea \$6.00-\$6.60 per report
		OCR Sea \$18.80 - \$20.50 per report
OCTF transactions: <ul style="list-style-type: none"> • Cargo Report Export • Outward Cargo Report 		

Other charges

Other Charges	Current fee (inclusive of GST)	Proposed fee (inclusive of GST)
Hourly rates Paid by individuals requiring Customs clearance of goods and/or travellers outside standard work hours	\$74.21	\$133.00
Intellectual Property Rights Paid by individual Intellectual Property Rights holders	\$5000 upfront security bond	Cost of detention, disposal, and legal services