

28th October, 2014

IMPORTANT NOTICE TO ALL CUSTOMERS

TCF PHASING DUTY RATES APPLICABLE FROM 1 JANUARY, 2015

We wish to inform our valued clients that from 1 January 2015, the general duty rates for clothing and finished textiles that currently attract 10% Duty will be reduced to 5%, as the final part of the Australian Government's long term phasing down of TCF duty rates.

This will only take effect for Customs Import Declarations lodged on or after 1 January 2015. This leaves a number of options for TCF importers to consider when deciding whether to delay shipments and subsequently incur the lower rate of Customs duty.

The most obvious option would be to delay movement of any affected consignments so that they do not arrive prior to January 1st, 2015. Alternative options may include simply leaving shipments to incur storage until January 1st (when an import declaration can be lodged at the lower duty rate). This should only be considered if the duty savings are greater than the storage amount accrued.

Further to this, consignments may be moved "underbond", which is a Customs approved movement from the wharf or delivery terminal into a Customs approved warehouse where they can be stored until clearance on January 1st. Such movements are often more cost effective than simply leaving the freight where it arrives, as storage charges can be excessive at the wharf or terminal.

Another option may be to "bond" the cargo into a Customs approved "Queens Bond" until January 1st, however once again the savings must be carefully considered, as this option can be quite costly.

Prior to making a decision, it is recommended that affected Importers speak with one of our qualified staff members to discuss your options and carefully decide on the most cost effective method.

Should you have any questions please do not hesitate to contact your account representative.

Yours faithfully,
ADM GLOBAL PTY. LTD.,

Melbourne – Head Office

1-5 Lambeck Drive
Tullamarine, VIC, 3043
P.O. Box 502
Tullamarine, VIC, 3043
Tel: +61 3 8336 0800
Fax: +61 3 9330 4422

Sydney

Level 1, 25-33 Allen Street
Waterloo, NSW, 2017
P.O. Box 1451
Strawberry Hills, NSW, 2012
Tel: +61 2 9690 0089
Fax: +61 2 9690 0087