



Australian Government  
Department of Industry,  
Science and Resources

# AusIndustry

## Tradex Information Guide

# Table of Contents

About Tradex .....	4
Confidentiality and Privacy .....	4
Other similar schemes.....	5
Who can apply.....	6
Tradex requirements .....	6
Eligible goods .....	6
Record keeping .....	7
Applying for a Tradex Order .....	8
Assessment process .....	8
What if an application is refused? .....	8
Receiving a Tradex Order .....	8
Importing and Exporting under Tradex.....	9
What if I import goods for export and domestic sales? .....	9
What if I export goods from stock on hand?.....	9
What if I export goods that have been mixed/manufactured with imported goods? .....	9
What if I import packaging materials and containers? .....	9
What if I import oak goods for use in producing oaked wine for export? .....	9
What if I import machinery parts?.....	10
What if I import goods for the repair and/or alteration of a super yacht or vessel? .....	10
Using your Tradex order.....	11
Tradex Import Declaration Table.....	11
Tariff Chapters.....	12
Changing goods on your Tradex order .....	12
Extending time to export goods.....	12
How long is a Tradex order valid.....	12
When does Tradex duty become payable.....	13
Paying Tradex Duty.....	13
Overpaying Tradex duty .....	13
GST and Tradex .....	13
Tradex duty on wastage .....	14

Tradex duty on goods exported by a third party.....	14
Tradex duty and Free Trade Agreements .....	14
Compliance with Tradex.....	14
Compliance Reviews .....	14
Name and Address changes to your Tradex order .....	15
Offences .....	15
Penalties .....	15
Contact us .....	15

## About Tradex

The Tradex Scheme aims to increase Australia's international trading competitiveness. It offers Tradex order holders (order holders) up-front exemptions from customs duty and goods and services tax (GST) on eligible imported goods which are intended for export. The Scheme is administered under the [Tradex Scheme Act 1999](#) and the [Tradex Regulations 2018](#).

Up-front exemptions on customs duty and GST can provide significant cash flow advantages to your business. For example, if goods attract 5% customs duty and 10% GST, having a Tradex order gives you an up-front saving of 15% on the value of the imported goods when they first arrive in Australia.

Imported goods covered by Tradex include those that are:

- exported in the same condition
- mixed with other goods and/or processed and/or treated then exported
- incorporated in other goods then exported.

Goods must be exported within 12 months from the time of importation (i.e. the first arrival date on your Customs entry document) unless the department has agreed to extend the time.

If you require further information, please call the Contact Centre on **13 28 46** or visit [business.gov.au](https://business.gov.au).

## Confidentiality and Privacy

The Department of Industry, Science and Resources (DISR) collects information including confidential and personal information for the purpose of discharging its functions under the Tradex Scheme, law enforcement and for other related purposes. These functions include assessing Tradex applications, compliance and audit activities and evaluation.

Confidential and personal information collected by the department may be disclosed to:

- the Minister responsible for the Scheme and his/her staff
- the Auditor-General
- Australian Taxation Office
- Department of Home Affairs, including Australian Border Force
- any third party contractors or entities engaged to provide advice or compliance audit or evaluation services to the department
- other Australian Government agencies for compliance and audit and evaluation purposes.

All information collected will be stored and held in accordance with the department's obligations under the Archives Act 1983 (Cth). This information will not be used for any other purpose or disclosed to any other agency other than those listed above, without your prior consent, except where required by law.

For further information on how the department handles confidential and personal information, please refer to the department's privacy policy:

<https://www.industry.gov.au/data-and-publications/privacy-policy>

## Other similar schemes

Before applying for a Tradex order, you may consider whether other similar schemes might better suit your business needs such as duty drawback, temporary imports, or deferral on GST as summarised below.

### Duty drawback

Duty drawback is available where an importer of goods intended for export pays customs duty and GST at the time of import. When the goods are exported, the exporter can claim a refund (drawback) of the duty from the Australian Border Force (ABF), Department of Home Affairs and accounts for the GST directly to the Australian Taxation Office (ATO) or through their Business Activity Statement (BAS).

Duty drawback may suit if you are unable to meet the [requirements](#) of Tradex.

For more information about the duty drawback scheme, please contact ABF via <https://www.abf.gov.au/>

### Temporary imports

Some goods may be imported into Australia for up to 12 months without the payment of duty or taxes. The nature of the goods, how they will be used while in Australia and who the importer is, will determine whether the goods qualify under this scheme. Goods that qualify may be imported either under a carnet (an international passport for eligible goods) or when a security is lodged with the ABF at the time of import. For more information, please contact ABF via <https://www.abf.gov.au/>

### Deferred Goods and Services Tax Scheme

The Deferred GST Scheme allows importers to defer payment of GST on all taxable imports into Australia. The Scheme covers GST only, customs duty must be paid on import. This scheme may benefit you if you are importing under a free trade agreement which provides an exemption from customs duty. For more information please contact the ATO on 13 28 66, or via <https://www.ato.gov.au/about-ato/contact-us/>

## Who can apply

An individual, an incorporated company, a partnership, an incorporated association or entity can apply for a Tradex order.

Applicants must be registered on the Integrated Cargo System (ICS) refer to [https://www.abf.gov.au/help-and-support/ics/integrated-cargo-system-\(ics\)/overview](https://www.abf.gov.au/help-and-support/ics/integrated-cargo-system-(ics)/overview)

If you do not have an Australian Business Number (ABN), you will need to provide your ICS Customs Client Identifier (CCID).

## Tradex requirements

To be eligible for Tradex, you must:

- meet the requirements of the Tradex Scheme Act 1999 and Tradex Regulations 2018
- declare that imported goods are intended for export
- export the goods within one year after entry into Australia, unless an extension is approved
- have record-keeping and accounting systems in place that track the goods from import through to export.

You are **not** eligible to apply for **or hold** a Tradex order if you are:

- an unincorporated entity
- an individual who is an insolvent or is under administration
- an externally-administered body corporate
- a partnership where any of the partners are insolvent or is under administration.

## Eligible goods

A Tradex order can only be applied to imported goods that match both the two digit tariff chapter and goods description.

If you are not sure which Customs Tariff classification applies, please contact the ABF within the Department of Home Affairs (phone 131 881 or web <https://www.abf.gov.au/>) or talk to a licensed customs broker.

There is no limit to the number of goods listed, however, the following goods **are not** eligible:

- goods intended for sale in a 'duty free' establishment
- goods which, if produced in Australia, would be subject to excise duties

The following consumption or use is permitted in relation to the goods:

- accidental damage in Australia
- accidental destruction in Australia
- inspection or exhibition\* in Australia before the goods are exported
- incidental use that occurs immediately before the goods are exported (e.g. product testing)
- if the goods are traveller's cheques writing on the cheques in Australia, other than countersigning the cheques in exchange for goods, services or cash.

*\*Inspection or exhibition: could include display in a museum, art gallery or any other place,*

*for viewing purposes only. The goods must not be intended for sale, either in part or all, in Australia.*

## Record keeping

As a Tradex order holder, you must maintain adequate and relevant records in English in a place in Australia for 5 years in respect of the nominated goods from the time of importation to exportation.

If a third party exports the goods, it is the order holder's responsibility to ensure they have access to those records. You must be able to provide copies of your records and the third party's records to the department if requested.

Your records should include details of:

- importation and exportation of the nominated goods from import to export
- movement of these goods from import to export, or to the third party who exported the goods (if the goods were exported by a third party)
- any storage of the goods, or any goods in which they are incorporated, while in your possession, custody, or ownership
- the exportation of the goods in which they were incorporated
- any domestic sale, consumption, use, disposal, wastage, or other non-permitted dealing of the goods, or any goods in which they were incorporated into, in Australia by you
- payment of Tradex duty in respect of the goods (where applicable).

Some Examples of records include:

- importation documents: import declarations, bill of landing, order forms, commercial sales invoices, proof of payment
- exportation documents: commercial sales invoices, proof of payment, sales ledger (separating domestic sales from exports), including any exports by third parties
- inventory documents: including movement of nominated goods from your inventory; goods that have not been exported and remain part of your stock on hand (e.g. inventory ledger)
- if nominated goods are used in the manufacture/production of other goods - a Bill of Materials (BoM) or product structure list setting out the raw materials, sub/intermediate assemblies, sub-components, parts and quantities of each needed to manufacture the final product
- records of the nominated goods including any goods in which they were incorporated were sold domestically, consumed, used, disposed of or otherwise dealt with in Australia. These may include your sales orders, invoices, proof of payments, disposal/usage inventory ledger
- quantity and value of any wastage from the nominated goods arising from the manufacture/production process
- payment of Tradex duty and GST records.

## Applying for a Tradex Order

Applications can be made at any time by downloading the application form and guide from [business.gov.au](https://business.gov.au) Email the completed form to [tradex@industry.gov.au](mailto:tradex@industry.gov.au)

Please be aware that providing any false or misleading information in an application is an [offence](#).

For further assistance please call 13 28 46

### Assessment process

Applications are assessed by the department to determine eligibility. As part of the process, a Tradex officer will contact you to discuss your application. You will be asked to demonstrate your knowledge of, and ability to meet the requirements of the Tradex Scheme. You may also be asked to provide further information or documents about your business, importing and exporting activities and record keeping systems and how you intend to monitor your use of the Tradex order against your imports.

The assessment process can take up to 40 days after all the required information has been provided. The following actions can help fast track the assessment process of your application:

- ensure all required sections of the application form are correctly completed
- ensure the applicant applying for the Tradex order is a registered importer with the ABF. The entity name and ABN (if applicable) registered with ABF must match the name on the Tradex order application form
- prompt response to email and phone enquiries from the Tradex team
- providing additional information and documentation as requested.

### What if an application is refused?

If your application is refused in full or in part and you are not satisfied with the decision, you can ask for the decision to be reviewed.

You will need to complete the Reconsideration of decision form included as part of the decision notice you would have received advising you of the outcome of your application.

The department will conduct an internal review and advise you of the outcome. If you are still not satisfied with the outcome, you can apply to the Administrative Appeals Tribunal (AAT) for an external review. More information about the AAT can be found via <https://www.aat.gov.au/>

### Receiving a Tradex Order

If your application is successful, you will receive an email with a notice that includes:

- your Tradex order number
- the Instrument number to be used on customs import declarations
- the date on which your Tradex order comes into force
- a description of the goods and tariff classifications covered by the Tradex order
- information about using your Tradex order.



## Importing and Exporting under Tradex

### What if I import goods for export and domestic sales?

If you intend to sell or use part of an import consignment in Australia, you can arrange to 'split lines' on the customs Import Declaration form. For example, if you are importing 1000 units of goods, 500 units of which will be for domestic consumption. You can split the lines and import 500 units duty and GST exempt under Tradex and 500 units with duty and GST paid to ABF on importation. As long as the 500 units imported using Tradex continue to meet Tradex requirements and are exported within 12 months, no Tradex duty needs to be paid back to the department.

### What if I export goods from stock on hand?

If imported goods are sold from stock and the value of overseas sales to local sales continually varies, you can reconcile the quantity of goods imported on a periodic basis (e.g. monthly, quarterly, six monthly or annually). If the volume of nominated goods sold in Australia is higher than expected at the end of the period, the Tradex duty liability would need to be paid.

### What if I export goods that have been mixed/manufactured with imported goods?

If you are unable to identify the goods from import through to export (e.g. goods lose their identity in a manufacturing process), the department will work with you to agree on a formula that meets reconciliation requirements including identifying any Tradex duty owed.

### What if I import packaging materials and containers?

Packaging materials and containers may be eligible goods under Tradex when, after import, if they are not used in Australia before being exported. For example, empty kegs may be imported, filled with beer then exported for overseas consumption. Providing all the requirements of Tradex are met, Tradex duty will not be owed. However, if the empty kegs are imported, filled, the contents consumed in Australia before being refilled and exported, Tradex duty will be payable.

### What if I import oak goods for use in producing oaked wine for export?

An importer may apply for and hold a Tradex order providing they supply at least one imported oak barrel or quantity of oak staves, chips or powder to at least one wine maker who has a history of exporting wine oaked from imported barrels etc. or intends to produce oaked wine that will be exported from imported barrels etc. in any twelve month period starting 1 July each year. If the importer is a wine maker and uses the goods themselves, there must be a history of exporting oaked wine or an intention to produce oaked wine that will be exported from the imported goods. This is known as the 'Intent to Export Test'.

In each financial year starting 1 July, the department declares a maximum percentage (Tradex Import Factor (TIF)) that can be used to clear goods using an order on a Customs Import Declaration for the upcoming financial year. The TIF is the percentage of Tradex imports to total imports (of oak wine barrels, oak staves, oak chips or oak powder) in the shipment and will be based on a conservative estimate of the quantity of oaked wine exported

in the previous financial year. The TIF is determined by the department from information provided by the Australian Grape and Wine Authority and other relevant bodies.

As this is an industry wide arrangement, an importer using an order may not use a higher factor than the TIF even if they can demonstrate their imported goods will be used to produce a higher percentage of exported oaked wine. Importers who wish to claim a higher percentage MUST pay Customs duty and GST upfront on the whole shipment and use the Duty Drawback arrangements.

Where the TIF is used correctly on a declaration, no further substantiation will be required for Tradex other than the normal import evidence required by customs and evidence that at least one barrel or quantity of staves etc. is supplied to a wine maker who is or is intending to produce and export wine oaked from imported goods.

Due to the production time for oaked wine normally taking longer than 12 months, an extension to Tradex' 12 month export period requirement can be arranged. If approved, the department will grant an extension.

Other wine products such as corks, labels, bottles, caps and wires, are not covered by the TIF arrangements.

### **What if I import machinery parts?**

If importing machinery parts which are installed into machinery for export, you are able to claim Tradex. If the machinery is used or remains in Australia, you must pay Tradex duty and account for GST.

### **What if I import goods for the repair and/or alteration of a super yacht or vessel?**

The Order holder of a Tradex order is liable to pay back Tradex duty and GST if the goods are used in the repair and alteration of a superyacht or/a vessel that are subsequently consumed or used in Australia. By conducting private cruising or chartering after undertaking repair or alterations using goods imported under the Tradex Scheme, Order holders may no longer meet the legislative requirements of the Tradex Scheme Act 1999.

These requirements exist regardless of whether a vessel may be in Australia on a Control Permit (a separate scheme administered by the Australian Border Force).

There is a bylaw to the Tradex scheme regarding the repair and alteration of superyachts and consumption of goods in Australia. More information can be found at <https://www.abf.gov.au/help-and-support-subsite/CustomsNotices/2021-20.pdf>

If you need further assistance in relation to this issue, please contact us on 13 28 46 or email [tradex@industry.gov.au](mailto:tradex@industry.gov.au)

## Using your Tradex order

Your Tradex order is only valid for use with the ABN or where applicable, the Customs Client Identification Number (CCID), quoted in your application which is registered with the ABF.

If you are entitled to a reduction or exemption of customs duty under a Free Trade Agreement, Tariff Concession Order, Certain Inputs to Manufacture exemption or preferential rate of duty (such as a Developing Country, Least Developed Country or Forum Island Country) you should ensure that you enter the origin and preference details and use the Tradex order to remove any remaining customs duty liability and GST liability. This will ensure that if Tradex duty becomes payable, any applicable concessions have been taken into account in the calculation of Tradex duty payable.

### Tradex Import Declaration Table

	GST and standard duty applies	GST and a reduced rate of duty applies	Only GST applies	GST and a duty rate of FREE applies, (e.g. Free Trade Agreement).
Tariff classification number****	Include the full <a href="#">Schedule 3</a> tariff classification for the imported item			
Treatment code*	821		—	—
Treatment Instrument type**	Tradex order (TX)		—	—
Treatment Instrument number	ce_customsinstrumentnumber		—	—
GST exemption code	—		421A	
Origin preference fields***	—	Complete applicable origin and preference details	—	Complete applicable origin and preference details
<p>Note:</p> <p>* Other treatment or exemption codes and types may apply, e.g. Tariff Concession Order.</p> <p>** There may be other instrument types applicable in certain circumstances.</p> <p>*** Origin preference is required to ensure that if Tradex duty becomes payable, any applicable concessions are taken into account in the calculation of Tradex duty payable.</p>				

For more information, please refer to the [Guidelines to Schedule 4 of the Customs Tariff Act 1995 Concessional Rates of Duty](#)

## Tariff Chapters

ABF as part of the Department of Home Affairs manage the current Tariff Classification System and can provide advice on what tariff chapters you should use to cover the goods being imported under your Tradex Order.

More information regarding the Customs Tariff Chapter numbers can be found here - <https://www.abf.gov.au/importing-exporting-and-manufacturing/tariff-classification/current-tariff>

You can also contact the ABFs information line on 131 881 between 9am and 5pm Monday to Friday or you can email [tariff@homeaffairs.gov.au](mailto:tariff@homeaffairs.gov.au)

## Changing goods on your Tradex order

You can apply to add, remove or change the description of the goods covered by your Tradex order by completing and emailing an Application for variation form to [tradex@industry.gov.au](mailto:tradex@industry.gov.au).

If you intend to add goods to your Tradex order, these must be added before the goods are imported. We recommend applying for a variation at least one month before the expected arrival of the goods. If the variation is approved, a revised Tradex order will be issued.

Please note that a variation cannot be approved for goods already imported.

## Extending time to export goods

You can apply in writing to extend the 12 month exportation period by emailing the Tradex team at [Tradex@industry.gov.au](mailto:Tradex@industry.gov.au)

An extension may be approved when:

- a contract for the export of goods has fallen through and more time is required to find another customer or overseas market
- you are importing [oak goods](#) for use in oaked wine production
- the goods are incorporated in a piece of equipment that may take more than 12 months to manufacture before it is sent overseas.

You will need to give a reason for the extension of time and provide a date by which the goods will be exported.

## How long is a Tradex order valid

Your Tradex order does not expire.

The department can suspend or revoke your Tradex order under the following circumstances if:

- requested by you
- in the event of death or, in the case of a registered body corporate or incorporated association, you are deregistered or dissolved
- you cannot be contacted or do not respond to the department's attempts to contact you
- you have not met or no longer meet the criteria for holding a Tradex order
- you give false or misleading information
- you have failed to pay Tradex duty.

The department will notify you if it intends to suspend or revoke your order.

## When does Tradex duty become payable

Tradex duty is equal to the customs duty that would have been paid on importation. It must be paid when the goods **do not meet** Tradex requirements, including when they:

- are consumed or used in Australia
- are sold in Australia, disposed, consumed, there is wastage or are used in Australia by another person
- do not meet a requirement of the Act or Regulations
- are not exported within 12 months of import or agreed period

Tradex order holders are responsible for calculating how much Tradex duty is owed (Tradex duty liability) and paying it to the department within 28 days from the day the goods no longer meet the requirements, unless an extension of time or other arrangement has been approved.

Failure to pay Tradex duty is an offence. If you need assistance to calculate your Tradex duty liability, please contact us on 13 28 46 or email [tradex@industry.gov.au](mailto:tradex@industry.gov.au).

If you are required to pay Tradex duty, other taxes such as GST may also be payable. The tax would be payable to the responsible agency, for example, GST to be paid to the ATO.

## Paying Tradex Duty

The department's preference is for Tradex duty to be paid via Electronic Funds Transfer (EFT). The [Tradex duty payment and liability form](#) includes payment instructions. You must complete the form and email to [tradex@industry.gov.au](mailto:tradex@industry.gov.au)

## Overpaying Tradex duty

If you miscalculate and overpay Tradex duty, you can request a refund.

A request for refund must be in writing and include:

- your Tradex order number
- your Tradex duty calculations
- an explanation of the overpayment, and
- supporting evidence or documents.

The request must be lodged with the department no later than four (4) years after the overpayment was made.

The department will assess your request and may seek additional information before deciding if a refund is payable.

## GST and Tradex

You do not have to pay Tradex duty or make an increasing adjustment on your Business Activity Statement (BAS) if the nominated goods meet Tradex requirements.

However, if the goods imported using the Tradex order do not, or no longer, meet Tradex requirements, for example, the goods are used or consumed in Australia, each sale will be taxable if you are registered or required to be registered for GST.

For more information on GST responsibilities and obligations, contact your accountant or the ATO on 13 28 66 or via <https://www.ato.gov.au/>

### Tradex duty on wastage

Since the Tradex Scheme Regulations were amended in 2018, Tradex duty is payable on any wastage of nominated goods. This means you may be liable to pay Tradex duty in relation to loss or wastage of processed goods imported after 29 September 2018.

Calculations for wastage of goods should be included as part of your Tradex reconciliation.

### Tradex duty on goods exported by a third party

Goods imported under a Tradex order may be sold before export to another party in Australia. However, if any of the Tradex requirements are not met with regards to the goods (e.g. they are sold or used in Australia) and it results in a Tradex duty liability, this must be paid by the Tradex order holder.

It is the Tradex order holder's responsibility to ensure they have access to [records](#) that can trace the goods through to export and provide any supporting documents if requested by the department.

### Tradex duty and Free Trade Agreements

There are a number of Free Trade Agreements (FTAs) between Australia and other countries that support the international trade of goods. Preferential tariff rates may be available for your goods under an FTA. If a preferential tariff rate has been applied to your goods on import, any Tradex duty owing will be at the free or reduced rate.

More information on Free Trade Agreements can be found here

<https://www.abf.gov.au/importing-exporting-and-manufacturing/free-trade-agreements>

## Compliance with Tradex

There are compliance mechanisms in place for the Scheme and also to imported goods generally. These are as follows:

- the department administers the Tradex Scheme, including compliance activity associated with any aspects of the Scheme, and collects any Tradex duty that become payable
- The ABF is responsible for the actual clearance of the goods into and out of Australia and any compliance associated with that activity
- The ATO is responsible for all matters relating to GST, including compliance in relation to GST on imported goods, although any GST payable on goods at the time of import is generally collected by the ABF on behalf of the ATO.

### Compliance Reviews

As part of the department's ongoing compliance of the Tradex program, all order holders will be required to participate in a compliance review. When your business is selected for a compliance review, you (or your agent or employee) will be required to:

- make available all documents relating to the import and export of goods (e.g. invoices, bill of lading)
- demonstrate any record-keeping accounting system being used

- allow the department to examine the goods and inspect the premises where they are stored or processed

## Name and Address changes to your Tradex order

You must advise us in writing of any subsequent changes that occur in relation to your Tradex order within 14 days of the change occurring.

These include a change of:

- address
- contact person
- contact details – phone or email
- Australian Business Number (ABN)
- Company business name

## Offences

Tradex order applicants and holders can be penalised or prosecuted if found guilty of an offence under the Act. A person is guilty of an offence if:

- they provide false or misleading statements or documents to an Authorised officer
- they fail to comply with a request made by an Authorised officer
- as a holder of a Tradex order, they fail to notify the department within 7 days of becoming ineligible to hold a Tradex order
- as a holder of a Tradex order, they fail to notify the department within 14 days of a change in contact or business details
- as a holder of a Tradex order, they fail to pay Tradex duty within 28 days of becoming liable to pay it
- as a holder of a Tradex order, they fail to keep the required records
- as an occupier of premises entered by a Tradex officer, the occupier fails to assist the officer to carry out their duty.

## Penalties

Penalties can be applied in relation to all the offences listed in the Act. The maximum penalty amount varies with some offences carrying possible imprisonment. Payment of a penalty for an offence does not remove any obligation to pay Tradex Duty.

If the department has reason to believe the Tradex order holder has failed to pay a Tradex duty liability, an infringement notice may be issued. The notice will specify a penalty, which must be paid in addition to the outstanding Tradex duty. If an infringement notice is issued and remains unpaid for 28 days, the matter may be prosecuted in court.

More information on offences and penalties can be found under part 9 and 10 of the Tradex Scheme Act 1999.

## Contact us

If you need help with a Tradex matter, please contact us on 13 28 46 or email us [tradex@industry.gov.au](mailto:tradex@industry.gov.au)