

From: Falkiner, Stephen
To: [Low Value Goods](#)
Subject: Submission to the "applying GST to low value goods imported by consumers" consultation
Date: Monday, 7 November 2016 3:13:29 PM

A simple comment that I have not seen discussed in this debate.

Retail sellers of imported goods are the main proponents for charging GST on private imports. It has been shown that the bureaucracy involved in collecting taxes on goods where the total import value including shipping is less than AUD\$1000, would delay the free movement of goods, and add increased costs to the consumer (with little if any net benefit to Government revenue).

These low value goods invariably have shipping charges added by the sender (which is usually equivalent to the local GST in value), so if GST is added on top of that it means the consumer is being doubly disadvantaged.

The only real beneficiary of adding the GST to the value of these goods is the local retailer who then has the benefit of additional shipping costs on private imports to allow them to remain more competitive with overseas prices (and a bigger profit margin for the local retailer).

A further point is that many of the items ordered in low volumes from overseas are not readily available in Australia so that restricts consumer choice if the added shipping costs plus taxes are added to the purchasing difficulty. It is usually much faster for the consumer to order directly from an overseas supplier rather than go through the rigamarole of ordering through a local retailer who still has to import the goods (and perhaps wait until the retailer's order is big enough before ordering actually takes place).

My company is both a local manufacturer and importer of consumer goods, and I have no complaint at all about the current system as we price the imported goods such that it would not be worth the while of a consumer to do a private import of our imported products. We do not work on the margins of the large importers who on a world scale are making excessive profits in Australia and do not like the current system that allows a knowledgeable consumer to bypass them.

Sincerely,

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