



BRINGING SUPERYACHTS INTO AUSTRALIA

WHAT IS A SUPERYACHT?

A Superyacht is defined as any high value luxury sailing ship or motor vessel which is all of the following:

- 24 metres or longer in length
- not carrying cargo
- used for sport or pleasure.

ARRIVING IN AUSTRALIA

Operators intending to bring a Superyacht to Australia (under its own power) must notify Customs and Border Protection of the impending arrival at least 96 hours before arrival in Australia. Impending arrival reports may be made by email to yachtreport@customs.gov.au and the requirements may be found at www.customs.gov.au/site/page4358.asp

ENTERING AUSTRALIA

Superyachts on international voyages that enter Australia must arrive at a port of entry that is designated for the arrival of international Superyachts, unless permission is granted to arrive at another port in Australia. For ports of entry locations and more detail see www.customs.gov.au/site/page4363.asp

INTERNATIONAL VOYAGES

Operators of Superyachts that enter Australia while on an international voyage to a place outside Australia are generally not required to enter those yachts for home consumption (e.g. Yachts that transit through Australia on a single direction voyage for the purpose of making passage are not considered as being imported). Port to port clearances will be required (limited to ports of entry). Loading of stores and fuel is permitted.

CLEARANCE OPTIONS – SUPERYACHTS REMAINING IN AUSTRALIA

For owners of Superyachts that remain in Australia (after breaking an international voyage) these options may apply:

- enter the Superyacht for home consumption – (duty and Goods and Services Tax (GST) paid, if applicable)
- enter the Superyacht for warehousing (no duty or GST is paid) – *currently, there are no marina style warehouses in Australia*

- make a temporary importation for a maximum stay of 12 months - a security or undertaking may be required (or in limited cases an ATA Carnet)
- obtain a control permit* for up to 12 months - no security required.

*Control permits are only available for pleasure craft that arrive under their own power for specified purposes.

ENTRY FOR HOME CONSUMPTION

Superyachts that are imported, or intended to be imported, may arrive in Australia as cargo on board a ship or aircraft, or arrive under their own power.

Superyachts that are imported, or intended to be imported, **must** be entered into home consumption or entered into a licensed warehouse. Generally, entries must be finalised by no later than close of business the working day after the Superyacht arrived.

Determining Entry Requirements

The importation of a yacht or the intention to import a yacht depends upon an objective assessment of all the facts and circumstances for each case to determine if there is/was the requisite intention to import a Superyacht.

Duty and GST

Imported Superyachts are subject to assessment for duty and a 10% GST on the value of the taxable importation which comprises of the Customs value, any duty payable plus transport and insurance costs. Superyachts greater than 150 Gross Construction Tonnes (GCT) have a free rate of duty. Other duty concessions may be available under Free Trade Agreements. For information on import declarations visit <http://www.customs.gov.au/webdata/resources/files/ImportDeclarationsWEB.pdf>

YACHTS OPERATING COMMERCIALY IN AUSTRALIA

If an operator intends for a Superyacht to work in Australia (engage in the domestic economy), the operator has intent to import a Superyacht.

Working in Australia includes:

- commercial touring

- chartering
- leasing
- hiring
- carrying fare paying passengers
- operating for a reward of any kind.

Superyachts engaged, or intended to be engaged, in the domestic economy must be entered for home consumption.

Operators of imported yachts, that hold an Australian Business Number (ABN) and are registered with the Australian Taxation Office (ATO) for GST, may be eligible for input tax credits for any creditable importation made for the purposes of operating their business. ABN holders who are registered for GST may also qualify to participate in the ATO's GST deferral scheme. For more information visit the ATO website http://www.ato.gov.au/businesses/content.aspx?doc=/content/dgst_application_form.htm.

Sale

Superyachts intended to be sold or offered for sale in Australia must be entered for home consumption or entered into a section 79 warehouse, pending sale.

Repair and refit

A Superyacht cannot maintain its continuing international voyage status while it is in a dry-dock facility. If the nature of repairs or other work is sufficient to prevent a Superyacht from maintaining its continuous voyage status the yacht should be either exported or entered for home consumption for repair and export.

A security may be required for any duty liability but the importation is non-taxable (GST free). On completion of repair work, and necessary testing, the Superyacht must be exported. Where a Superyacht is not exported after repairs are completed the security may be forfeited.

Goods imported to repair yachts that exceed 150GCT have a free rate of duty under Item 42 of Schedule 4 to the *Customs Tariff Act 1995*. These goods are subject to GST at importation if the yacht was imported.

ENTRY FOR WAREHOUSING

Current licensed warehouse facilities in Australia only allow for yachts to be lifted and placed on a hard stand or trailer. A yacht may be entered into a licensed warehouse without duty and GST being paid. Yachts in a warehouse may be sold (conditions apply) or offered for sale. Yachts may be entered for home consumption or for export from a warehouse.

TEMPORARY IMPORTATION OF YACHTS

A tourist** or temporary resident** may import a Superyacht they have owned for a period of 12 months, subject to conditions. An entry is required and a security or undertaking may be required subject to risk assessment (a threshold amount applies).

Superyachts imported for public exhibition or entertainment (e.g. boat show), or to be tested or evaluated may also be imported on a temporary basis (conditions apply).

Superyachts participating in a nationally or internationally recognised race/event may be eligible to be temporarily imported under an

Admission Temporaire/ Temporary Admission (ATA) Carnet (as professional equipment). Australia does not accept ATA Carnets for means of transport.

Imported replacement parts for repair of a temporarily imported yacht may also be imported on a temporary basis.

** A tourist or temporary resident must be a person and cannot be a corporation, company, trust or other organisation.

Yachts imported on a temporary basis cannot be sold, offered for sale, leased, hired, chartered, loaned or engage in the domestic economy without permission. Permission may be subject to the payment of duty and GST.

CONTROL PERMITS

Tourists and eligible foreign corporations/entities may be granted a Control Permit to sail in Australia if the primary purpose of the visit is for touring purposes. A Control Permit is issued for up to 12 months and subject to strict conditions.

Control Permits are not available to commercial operators of yachts or other ships that are intended to operate in Australia for reward, or to be sold or offered for sale.

Imported replacement parts for repair of a yacht operating on a Control Permit must be entered for home consumption duty and GST paid before delivery to the yacht.

Quarantine examination and clearance

The Department of Agriculture Forests and Fisheries (DAFF) Biosecurity considers Superyachts high-risk vessels due to exotic locations visited and the volume of timber used in the construction of Superyachts. DAFF inspections will be conducted at the first port of arrival in Australia. More information can be found at http://www.daff.gov.au/aqis/avm/vessels/yachts/super_yachts

Visas

Superyacht crew (subclass 488) visas are valid for up to 12 months from the date of issue. Crew issued with this visa may:

- enter Australia on multiple occasions during the 12 months validity of the visa
- work to support the usual operational requirements of a Superyacht while in Australia.

The validity of a Superyacht crew visa is independent of the entry of a Superyacht for home consumption.

Information on visa or immigration matters can be found at <http://www.immi.gov.au/>.

For other Customs and Border Protection matters visit <http://www.customs.gov.au/>.