

**JOINT MEDIA RELEASE
WITH
THE HON LINDSAY TANNER MP
MINISTER FOR FINANCE AND DEREGULATION
AND
THE HON BRENDAN O'CONNOR MP
MINISTER FOR HOME AFFAIRS**

**RED TAPE SLASHED ON EXCISE ADMINISTRATION WITH
TRANSFER TO TAX OFFICE**

The Rudd Government today announced that the Australian Taxation Office will take responsibility for the administration of all *excise*-equivalent goods, known as EEGs, from the Australian Customs and Border Protection Service (Customs).

EEG administration to be transferred to the Tax Office cover imported petroleum, tobacco and alcohol products. Customs will retain border management issues.

The consolidation of responsibilities is occurring as a result of a Better Regulation Ministerial Partnership that will cut red-tape and reduce compliance costs for business by delivering a single administrator for businesses to deal with.

The Assistant Treasurer, Nick Sherry, said: "This means a single agency - the Tax Office - will have responsibility for the administration of excise goods."

"A single administrator will deliver significant efficiencies across Australia through a more streamlined process and a reduction in duplication across agencies."

"These revised administrative arrangements reflect the outcomes of extensive industry consultation and will reduce compliance costs of around 400 businesses."

Better Regulation Ministerial Partnerships form a key part of the Rudd Government's deregulation agenda and have proved effective in ensuring a disciplined and coordinated approach to delivering regulatory reform across government.

Lindsay Tanner, Minister for Finance and Deregulation said: "The introduction of various Better Regulation Ministerial Partnerships reflects the Government's ongoing commitment to addressing impediments to Australia's long-term productivity growth."

"We have listened to the concerns of business and taken action to cut red tape and reform regulations in our own backyard."

"High level Ministerial oversight of this reform through a Better Regulation Partnership will ensure tangible benefits are delivered both for importers and the community as a whole."

"The new arrangements announced today reflect recommendations by the Productivity Commission in its *Annual Review of Regulatory Burdens on Business: Manufacturing and Distributive Trades* of September 2008."

Brendan O'Connor, Minister for Home Affairs said: "The new arrangements will be phased in over 18 months beginning on 1 January 2010, with up to 22 full-time positions to be transferred from Customs to the Tax Office to take up this new role."

"Both Customs and the Tax Office should be congratulated for the work they've done to date - both agencies have worked very well together and I am sure they'll continue to do so."

"Monitoring implementation of these arrangements will ensure that they are undertaken smoothly and the Ministers involved in the Partnership have asked that these updates include feedback from industry."

Under the Better Regulation Ministerial Partnership, the Tax Office and Customs will update the Assistant Treasurer, Minister O'Connor and Minister Tanner on the progress of implementation every six months, with a final update once these arrangements have been fully implemented.

The Tax Office and Customs will also shortly communicate directly to all known affected clients with further details.

CANBERRA
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