



Australian Government



Australian  
**Small Business and  
Family Enterprise**  
Ombudsman

30 September 2021

Board of Taxation Secretariat  
The Treasury  
Langton Crescent  
PARKES ACT 2600

*via email: LVIG@taxboard.gov.au*

Dear Secretariat

### **Review of GST on low value imported goods**

We welcome the review of GST on low value imported goods (LVIG). Small business importers have been raising concerns with this Office for some time about international retailers undercutting local businesses by illegally reducing or evading GST and duties on their imported goods. International retailers have gone as far as to advertise that they will incorrectly declare a lower value of their goods to reduce or avoid customs taxes. By evading GST and import duties, international retailers are gaining an unfair advantage over local small businesses and reducing overall competition. We have liaised extensively with the ATO, Home Affairs, and Australian Border Force (ABF) to address these issues but have so far been unsuccessful.

We recommend ATO, Home Affairs, and ABF conduct an audit of imported goods from international retailers to understand the scale of tax avoidance on imported goods. This audit would investigate the reported value of imported goods and compare it to current market prices to identify where international retailers are falsely reporting the value of their imported goods to evade taxes and duties. It is important that international retailers are correctly paying taxes and duties to ensure fair competition for local small businesses, and therefore supporting their recovery and growth from recent difficult economic conditions.

Ensuring that international retailers and domestic consumers are paying the appropriate taxes and duties will not only support fair competition, but will protect the integrity of the Australian taxation system into the future.

Thank you for the opportunity to comment. If you would like to discuss this matter further, please contact Mr Paul Buckingham on 02 5114 6121 or at [Paul.Buckingham@asbfeo.gov.au](mailto:Paul.Buckingham@asbfeo.gov.au).

Yours sincerely

**The Hon. Bruce Billson**  
Australian Small Business and Family Enterprise Ombudsman

T 1300 650 460 E [info@asbfeo.gov.au](mailto:info@asbfeo.gov.au)  
[www.asbfeo.gov.au](http://www.asbfeo.gov.au)

Office of the Australian Small Business and Family Enterprise Ombudsman  
GPO Box 1791, Canberra City ACT 2601