



Australian Government
Australian Taxation Office

Securing VAT/GST revenue from low value e-commerce imports

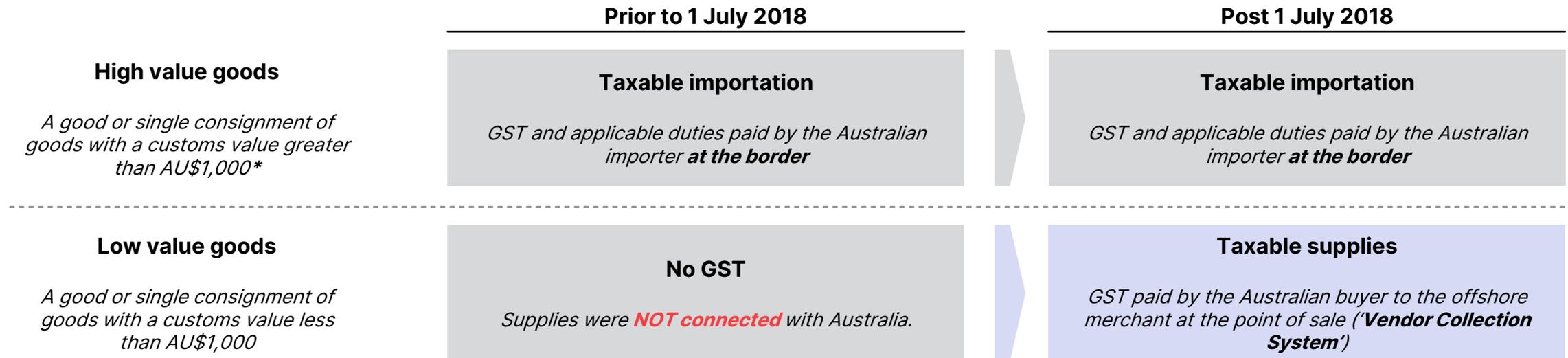
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Australian GST reform: low value imported goods

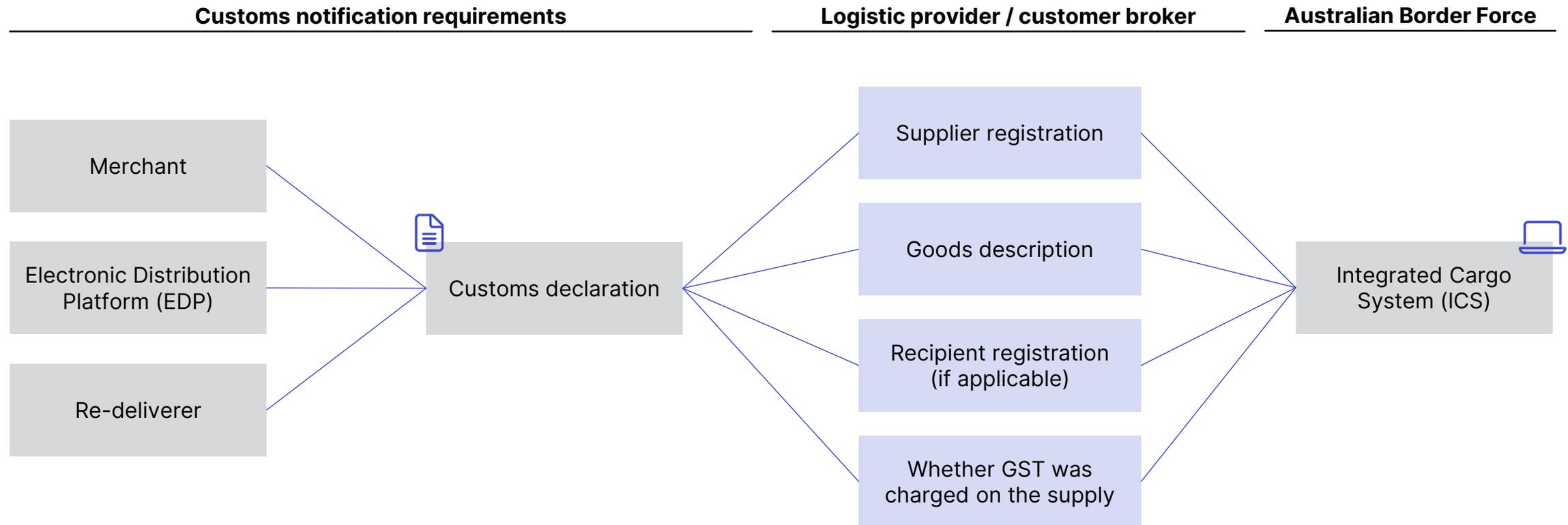
Following a staged implementation in line with the OECD Guidelines, Australia introduced GST to the inbound cross-border supplies of digital product and services (DPS) in 2017 and low value goods (LVIG) in 2018.



- The reform did not change the AU\$1,000 threshold, the border clearance process, and *the current import requirements for tobacco, tobacco product or alcoholic beverage regardless of value.
- The Vendor Collection System includes provisions requiring GST collection by Electronic Distribution Platforms (EDP) and re-deliverers.
- The Australian buyer of low value goods must complete a self-assessed clearance (SAC) declaration.
- The Australian importer of high value goods must complete a full import declaration.

Low value imported goods: interaction with the border processes

The self-assessed clearance declaration (SAC) is designed to be a simple declaration for low value imported goods, typically completed by the logistic provider or customs broker.



Additional information may be required in situations where the goods require special clearance (e.g., biosecurity). The Australian Border Force (ABF) inspects incoming parcels prior to releasing them for delivery to the Australian buyers.

Low value imported goods: revenue and population insights

Since the cross-border GST reform, over **3,000** non-resident businesses registered for Australian GST with an approximately equal split between those supplying low value imported goods (LVIG) and digital product and services (DPS). These businesses paid over **AU\$9.7 billion GST**, with approximately **43%** from the LVIG measure and **57%** the DPS measure.

Revenue trends



Key observations

- The average annual growth rate of LVIG revenue is approximately 17%, outpaced the 13% from the DPS measure.
- FY25 marks the first time the GST revenue from LVIG measure exceeded DPS.

Population concentration

Bracket	DPS	LVIG
Top 5	53%	67%
Top 10	62%	77%
Top 30	75%	88%
Top 50	81%	91%
Top 100	88%	95%

Key observations

- The top 10 entities from each category consists primarily of large platforms (online marketplaces) responsible for GST on taxable sales. This relieves many small businesses from having to register for Australian GST.
- Over 90% of the non-resident businesses opted for the simplified GST registration.