



Australian Government

TLIX5051A Determine tariff classification of goods

Release 1

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Modification History

Release 1. This is the first release of this unit.

Unit Descriptor

This unit involves the skills and knowledge required to determine the tariff classification of goods.

Licensing, legislative, regulatory or certification requirements are applicable to this unit.

Application of the Unit

This unit applies to individuals working as a Customs Broker. Work must be carried out in compliance with the Customs Tariff Act 1995 and related legislation, and workplace requirements concerning customs commodity classification functions.

Work is undertaken in a range of environments including small to large worksites in the customs broking and international freight forwarding industries.

Licensing/Regulatory Information

Refer to Unit Descriptor.

Pre-Requisites

Nil

Employability Skills Information

This unit contains employability skills.

Elements and Performance Criteria Pre-Content

Elements describe the essential outcomes of a unit of competency.

Performance criteria describe the required performance needed to demonstrate achievement of the element. Assessment of performance is to be consistent with the evidence guide.

Elements and Performance Criteria

- 1 Prepare to determine tariff classification of goods**
 - 1.1 Role and purpose of the World Customs Organization (WCO) Harmonised System in international trade is explained and its principles are used to guide classification practices
 - 1.2 Structure and purpose of Customs Tariff Act 1995 is explained
 - 1.3 Resources and documentation required to classify goods are determined and obtained
 - 1.4 Format and content of Customs Tariff Act Schedules are analysed and used to guide classification practices
 - 1.5 Appropriate schedules, by-laws and tariff concession orders (TCOs) are consulted to ensure strict compliance with goods as imported
 - 1.6 Tariff classification orders that apply to goods are determined
- 2 Apply identification principles to goods**
 - 2.1 Goods are identified in accordance with classification principles
 - 2.2 Alternative classifications are checked as required
 - 2.3 Assistance is sought as required
 - 2.4 Section and chapter notes are consulted
- 3 Select and justify headings**
 - 3.1 Principles of statutory construction in the context of particular tariff headings and words are applied
 - 3.2 Headings and notes are interpreted in hierarchical order
 - 3.3 Rejection of alternate headings are justified by reference to interpretative rules and legal notes
 - 3.4 Pre or post classification potential areas of dispute are anticipated and decisions are justified
- 4 Locate and justify sub-headings**
 - 4.1 Sub-heading notes are interpreted in hierarchical order
 - 4.2 Dash system is applied to classification
 - 4.3 Classification is determined in accordance with interpretative rules
 - 4.4 Correct statistical code is identified

5 Utilise extraneous classification tools

- 5.1 Resources are utilised to assist in classifying goods
- 5.2 Client is consulted to obtain further details of characteristics of goods to be classified as required
- 5.3 Assistance is sought as required
- 5.4 Preliminary classification of goods is made
- 5.5 Preliminary classification is checked with manager, supervisor or more senior personnel prior to customs import declaration being completed

6 Complete post classification requirements

- 6.1 Tariff classification advice request is prepared in response to any identified problems
- 6.2 Classification is entered correctly on customs entry/declaration in accordance with requirements of Customs and related legislative requirements, and workplace procedures
- 6.3 Completed documentation is retained by relevant personnel in accordance with the requirements of Customs and related legislative requirements, and workplace procedures
- 6.4 Relevant documentation and other sources of information such as that sourced from the internet or from industry experts, is retained and passed on to client in accordance with Customs and related legislative requirements, and workplace procedures
- 6.5 Post entry classification advice to client is initiated as required

Required Skills and Knowledge

This section describes the knowledge and skills required for this unit.

Required knowledge:

- Applicable legislation and regulations:
 - Australian Harmonized Export Classification Book
 - Customs Tariff Act 1995
 - Customs and related legislation
 - other legislation related to importing and exporting of goods
- Australian Working Tariff
- Case law
- Harmonised Classification System
- Identification of commodities for tariff classification purposes
- Interpretative rules
- Role and purpose of Customs Tariff Act 1995
- Tariff schedules and by-laws
- TCOs
- Use of legal notes
- Use of section and chapter notes

Required skills:

- Communicate effectively with others
- Examine documents for applicability
- Locate, read and interpret information
- Provide accurate advice to clients
- Read and interpret Customs Tariff Act 1995 and its associated Schedules
- Use software application systems appropriately
- Work methodically and systematically with required attention to detail

Evidence Guide

The evidence guide provides advice on assessment and must be read in conjunction with the performance criteria, required knowledge and skills, the range statement and the assessment guidelines for this Training Package.

Critical aspects for assessment and evidence required to demonstrate competency in this unit The evidence required to demonstrate competence in this unit must be relevant to and satisfy all of the requirements of the Elements, Performance Criteria, Required Skills, Required Knowledge and include:

- knowledge of World Customs Organisation and Harmonised Classification System
- knowledge of Customs Tariff Act 1995
- knowledge of Goods Identification for Classification purposes
- using general rules of interpretation
- determining classification code
- identifying tariff concessions
- knowledge of Legal Notes.

Context of and specific resources for assessment Performance is demonstrated consistently over time and in a suitable range of contexts.

Resources for assessment include access to:

- relevant regulatory and goods documentation that impacts on work activities
- range of relevant exercises, case studies, scenarios and/or other suitably simulated practical and knowledge assessments
- appropriate range of relevant operational situations in the workplace.

In both real and simulated environments, access is required to:

- relevant and appropriate documents and equipment.

Method of assessment Practical assessment must occur in an:

- appropriately simulated workplace environment and/or
- appropriate range of situations in the workplace.

A range of assessment methods should be used to assess practical skills and knowledge. The following examples are appropriate to this unit:

- direct observation of the candidate using appropriate methods for classifying goods
- knowledge questions and tests for assessment
- direct observation of the candidate applying relevant requirements during work practices.

Range Statement

The range statement relates to the unit of competency as a whole. It allows for different work environments and situations that may affect performance.

Information on relevant aspects of classifying commodities for import and export of goods through customs may include:

- content of Customs Tariff Act 1995 and various sections within the Act as they relate to classifying commodities for import and export of goods through customs
- legal notes to the tariff and the context of each note and the application of this context to the classification of commodities for the import and export of goods through customs
- principles of identification of goods for tariff classification purposes
- reasons for Customs Tariff Act 1995 and for the imposition of duty on imported goods
- Rules for the Interpretation of the Harmonized System and the Australian Customs Tariff Act 1995
- schedules of the tariff and the sub-heading structures at various levels in order to arrive at correct classification and duty rates

Where identifying material for classification is not available, sample of goods may be in the form of:

- photographs (still, video or electronically transmitted image)
- written description including technical drawings

Resources to classify goods include:

- case law
- dictionaries
- Harmonized System Explanatory Notes (HSEN)
- precedents database
- trade or technical publications
- websites

Examples of previous related classifications include:

- examples from texts and reference materials including WCO precedents
- precedents

Client consultation may be required where:

- characteristics of goods cannot be determined from available information or require clarification in relation to use, function, context (as a component of another item)

Assistance may include:

- advice from supervisor or manager, more experienced colleagues, customs brokers, training staff, technical experts
- consulting technical experts in the industry, professional association or a training provider
- using reference material within organisation,

- training providers, professional libraries, trade journals
- New developments in classifying commodities may relate to changes in:
- processes
 - regulations
 - software application systems
 - work systems
- Information on new developments in classifying commodities for the import and export of goods may be obtained from:
- Australian Customs
 - bulletins, journals, magazines, books
 - continuous professional development programs
 - external networks such as: staff in regulatory authorities
 - internal networks such as: own work team, staff in other departments, support staff, managers, training staff
 - websites
- Workplace procedures may include:
- quality procedures
- Communication in the work area may include:
- electronic data interchange (EDI)
 - email
 - internet
 - oral, aural or signed communications
 - phone
- Consultative processes may involve:
- other employees and supervisors
 - personnel in relevant authorities and institutions
- Documentation and records may include:
- Customs and related legislation
 - dictionaries
 - extrinsic material (as defined in the Acts Interpretation Act)
 - Harmonized System Explanatory Notes (HSEN)
 - internal documentation
 - machinery operations manuals,
 - manufacturer specifications for relevant equipment
 - quality assurance procedures
 - supplier and/or client instructions
 - trade or technical publications
 - workplace procedures and policies

Unit Sector(s)

Not applicable.

Competency Field

X – Logistics