



Australian Government

TLIX5052A Determine complex customs value

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 carry out complex customs valuation in accordance with Customs and related legislation. It includes applying the relevant method for the complex customs valuation required; identifying the contract of sale for customs valuation purposes; determining the price and elements of adjusted price; and identifying elements of price related costs. It also includes calculating customs value through the application of currency conversion and factorisation principles, and recording valuation information on customs declaration.

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 Act 1901 as amended and case law concerning customs valuation.

Work is undertaken in a range of environments including small to large worksites in the customs broking and international trade 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 Apply appropriate valuation method

- 1.1 Situations where transaction value method applies are recognised
- 1.2 Situations where alternate methods of valuation apply are recognised
- 1.3 Situations where there is insufficient reliable information to determine appropriate valuation method, are identified and referred in accordance with workplace policies and procedures
- 1.4 Appropriate valuation method is selected and applied for the complex customs valuation situation identified
- 1.5 Variations to the order of use of valuation methods are considered and applied in accordance with the provisions of the Customs Act 1901

2 Apply elements of price related costs for a customs valuation

- 2.1 Correct treatment of royalty or license fee in customs value is determined and followed in accordance with the Customs Act 1901 and relevant case law
- 2.2 Correct treatment of commissions to be included in customs value is determined and followed in accordance with the Customs Act 1901 and relevant case law
- 2.3 Correct valuation method for private imports of cars and yachts is determined and followed in accordance with relevant legislation, case law and Customs policies and procedures

3 Seek valuation advice

- 3.1 Requirement for an application for valuation advice is identified
- 3.2 Valuation advice is prepared in response to identified concern
- 3.3 Correct legislative and case law references are included in

the application for valuation advice

3.4 Post entry valuation advice to client is initiated as required

3.5 Relevant documentation is passed on to client in accordance with legislation and workplace procedures

Required Skills and Knowledge

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

Required knowledge:

- Applicable legislation and regulations:
 - Customs Act 1901 and related legislation
 - confidentiality agreements
 - World Trade Organization (WTO) Customs Valuation Agreement
- Application for valuation advice procedure and rulings
- Case law as it applies to valuation
- Continuing professional development
- Customs Act 1901 as amended and related legislation relevant to the conduct of a complex customs valuation
- Determination of:
 - adjusted price
 - customs value
 - import sales transaction
 - price related costs
- Documentation requirements for customs valuations
- Factorisation i.e. apportionment of costs over a line value (each line of import declaration for which there is a separate classification)
- Rejection of transaction value
- Related parties
- Sources of information on new developments in customs valuation practices
- Transaction value as the main method for valuing goods for customs purposes
- Transfer pricing
- Valuing Privately Owned Passenger Vehicles (PMVs)
- Ways of learning the skills and knowledge required to implement new development in customs valuation practices:
 - continuing professional development programs
 - independent reading
 - networking with internal and external contacts
 - workplace coaching
- World Trade Organization (WTO) Customs Valuation Agreement

Required skills:

- Apply conflict resolution strategies
- Carry out advanced calculations

- Communicate effectively with clients
- Follow correct hierarchy for customs valuation work
- Identify, interpret and learn skills and knowledge required for new developments in customs valuation practices
- Manage quality client service
- Read and interpret:
 - Customs Act 1901 and related legislation relevant to valuation
 - practice statements, procedures and information relevant to the conduct of customs valuations
 - WTO Customs Valuation Agreement
- Select and use appropriate workplace colloquial and technical language
- Select and use relevant software application systems and related information when carrying out customs valuations
- Solve problems that may arise when carrying out customs valuations
- Work 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:

- identifying import sales transaction for customs valuation purposes
- applying relevant method for a customs valuation
- identifying elements of price related costs for a customs valuation
- determining price and elements of adjusted price for a complex customs valuation
- calculating customs value for a complex customs valuation.

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:

- a range of relevant exercises, case studies, scenarios and/or other suitably simulated practical and knowledge assessments
- an appropriate range of operational situations in the workplace.

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

- relevant and appropriate materials and equipment
- applicable documentation including legislation and regulations and workplace procedures.

Method of assessment

Practical assessment must occur in:

- a suitably simulated workplace environment and/or
- an 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 undertaking complex customs valuation activities
- appropriate written and/or oral tests.

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.

- Alternate valuation methods may include:
- Computed Value
 - Deductive (Contemporary Sales) Value
 - Deductive (Derived Goods Sale) Value
 - Deductive (Later Sales) Value
 - Fall-back Value
 - Identical Goods Value
 - Similar Goods Value
- Adjusted price may relate to:
- Australian inland freight and insurance
 - deductible administrative costs
 - deductible financing costs
 - overseas freight and insurance
- Price related costs may relate to:
- commissions
 - foreign inland freight and insurance
 - packing costs
 - proceeds of resale
 - production assist costs
 - royalties and licence fees
- Valuation advice may include:
- completing and lodging an application for valuation advice with the regulator
- Post entry valuation advice may include:
- adjusting customs value
- Information on new developments in customs valuation practices may be obtained from:
- internal and external training programs
 - internal networks such as own operational team, support staff, managers and training staff
 - regulatory authority
 - WTO
- Workplace procedures may include:
- quality procedures
- Communication methods in the work area may include:
- electronic data interchange (EDI)
 - email
 - internet
 - oral, aural or signed communications
 - phone
- Documentation and records may include:
- client instructions
 - Customs Act 1901 and related legislation
 - internal documentation used for valuation

- invoices and evidence of payment
- practice statements
- WTO Customs Valuation Agreement

Unit Sector(s)

Not applicable.

Competency Field

X – Logistics