



Australian Government

TLIX5047A Determine 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 customs valuation using the transaction value method only, for the purpose of determining the customs value.

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 related case law and workplace requirements concerning customs valuation functions.

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 transaction valuation method | <ul style="list-style-type: none">1.1 World Trade Organization (WTO) Customs Valuation Agreement is analysed1.2 Valuation specific information is identified in accordance with Customs Act 1901 as amended1.3 Situations where it is appropriate to apply transaction valuation method are recognized and analysed1.4 Situations where alternate methods of valuation apply are recognised1.5 Situations where there is insufficient reliable information to determine if transaction valuation method applies are identified and referred in accordance with workplace policies and procedures1.6 Valuation is determined from import documentation in accordance with the Customs Act 1901 |
| 2 Identify import sales transaction for customs valuation purposes | <ul style="list-style-type: none">2.1 Relevant import sales transaction is identified2.2 Owner and supplier are identified on documentation2.3 Any relationship between owner and supplier is acknowledged and implications of relationship for customs valuation are determined and managed in accordance with Customs Act 1901 as amended |
| 3 Determine transaction value | <ul style="list-style-type: none">3.1 Price in import sales transaction is identified3.2 Terms of trade relevant to import sales transaction are identified and analysed3.3 Adjusted price is calculated3.4 Price related costs and any other additions or deductions are determined taking into account relevant legislation and terms of specific import sales transaction3.5 Transaction value is calculated |
| 4 Identify factors that impact on price | <ul style="list-style-type: none">4.1 Date and place of export are determined in accordance with Customs Act 19014.2 Rate of exchange is confirmed |

5 Determine customs value

- 5.1 Customs value is calculated using appropriate rate of currency exchange
- 5.2 Costs against goods are apportioned using factorisation
- 5.3 All calculations are checked for accuracy, documented and verified as required

Required Skills and Knowledge

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

Required knowledge:

- Applicable rules, legislation and regulations:
 - case law
 - Customs Act 1901 as amended
 - WTO Customs Valuation Agreement
- Awareness of alternative valuation methods
- Date and place of export
- Factorisation i.e. apportionment of costs over a line value (each line of invoice for which there is a separate classification)
- Price related costs and other legislated additions to or subtractions from price
- Rates of currency exchange
- Transaction value
- WTO Customs Valuation Agreement

Required skills:

- Calculate accurately
- Compare and analyse information
- Identify, interpret and learn skills and knowledge required for relevant new developments in customs valuation practices
- Negotiate, communicate and liaise effectively with clients and others
- Read and interpret legislation
- Solve problems that may arise when determining customs valuations

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:

- applying transaction valuation method
- identifying relevant import sales transaction for customs valuation purposes
- determining price and elements of adjusted price
- identifying elements of price related costs
- calculating customs value
- recording valuation information on customs import declaration.

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 and/or other simulated practical and knowledge assessment, and/or
- an appropriate range of relevant operational situations in the workplace.

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

- relevant and appropriate materials and equipment, and
- applicable documentation including workplace procedures, regulations, codes of practice and operation manuals.

Method of assessment

Assessment of this unit must be undertaken by a registered training organisation.

Practical assessment must occur:

- through activities in an appropriately simulated environment at the registered training organisation, and/or
- in an appropriate range of situations in the workplace.

A range of assessment methods should be used to assess practical skills and knowledge.

As a minimum, assessment of knowledge must be conducted through appropriate written/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.

Information on the determination of relevant aspects of customs valuations may include:

- Customs Act 1901 and Customs Regulations
- principles, theories and history of the Australian valuation system including the WTO Customs Valuation Agreement, and Customs and related legislation
- transaction value including:
 - adjusted price
 - arm's length transactions
 - contract of sale
 - import sales transaction
 - price
 - price related costs
 - rebates

Alternate valuation methods may include:

- computed value method
- deductive goods method
- fall back method
- identical goods valuation
- similar goods valuation

Adjusted price may include:

- Australian inland freight and insurance
- deductible administrative costs
- deductible financing costs
- overseas freight and insurance
- post importation costs

Price related costs may include:

- foreign inland freight and foreign inland insurance
- packing costs
- production assist costs
- proceeds of resale

Valuation advice means:

- completing and lodging an application for valuation advice with the regulator

Verification may include:

- customs brokers
- other colleagues within the enterprise

New developments in customs valuation practices including changes in:

- case law
- legislation
- processes and policies
- regulations

Information on new developments in

- bulletins, journals, magazines, books

customs valuation practices may be obtained from:

- external networks such as professional bodies and staff in various regulatory authorities
- internal and external training programs
- internal networks such as own operational team, staff in other departments, support staff, managers, training staff
- internet websites

Ways of learning skills and knowledge required for new developments in customs valuation practices may include:

- coaching in the workplace
- independent reading
- networking with relevant internal and external contacts
- online learning
- quality procedures

Workplace procedures may include:

Communication in the work area may include:

- electronic data interchange (EDI)
- email
- fax
- internet
- oral, aural or signed communications
- phone

Consultative processes may involve:

- management
- relevant authorities and institutions
- other employees and supervisors

Documentation and records may include:

- client instructions
- Customs Act 1901 and related legislation
- internal documentation used for customs valuation
- software application system user manuals
- workplace procedures and policies
- WTO Customs Valuation Agreement

Unit Sector(s)

Not applicable.

Competency Field

X – Logistics