

CUSTOMS AMENDMENT BILL

EXPLANATORY NOTE

THE purpose of this Bill is to enable Customs duty to be collected on ships and other vessels, or aircraft, imported into New Zealand otherwise than as cargo, in certain cases.

Under the Customs Act 1913, vessels and aircraft are within the definition of goods, and they are therefore deemed by section 44 of the Act to be imported as soon as they come into New Zealand in any manner whatever. However, for the purpose of collecting duty, entries must be made under Part V of the Act, and the provisions of that Part relate to the making of entries of goods imported as cargo and discharged or unshipped. There is no provision for entries, and the consequent collection of duty, on imported vessels sailed out to New Zealand on their own bottoms, or on imported aircraft flown out here.

Clause 2 provides that entries are to be made in respect of such vessels or aircraft, imported otherwise than as cargo, as the Minister may from time to time determine. Vessels or aircraft to which any such determination applies are deemed for the purposes of the Customs Acts (which expression includes the Customs regulations) to have been imported as cargo.

Clause 3: Subclause (1) of this clause amends the Customs Tariff, in relation to vessels, by substituting the new Tariff item 417 set out in the Schedule to the Bill. The present Tariff item imposes the same rates of duty as the new one, but applies to boats, launches, yachts, and other vessels, and fittings therefor, n.e.i., imported in any vessel. The item substituted by this clause is intended to preserve Tariff protection for the New Zealand shipbuilding industry, but will enable the Minister to approve the free entry of vessels that cannot be built in New Zealand. It also omits the words "imported in any vessel". *Subclause (2)* exempts from primage duty any vessel whose free entry is approved by the Minister under the new Tariff item 417 (1).

Hon. Mr Boord

CUSTOMS AMENDMENT

ANALYSIS

Title	2. Collection of duty on vessels or aircraft imported otherwise than as cargo
1. Short Title	

A BILL INTITULED

An Act to amend the Customs Act 1913

BE IT ENACTED by the General Assembly of New Zealand in Parliament assembled, and by the authority of the same,
5 as follows:

1. Short Title—This Act may be cited as the Customs Amendment Act 1959, and shall be read together with and deemed part of the Customs Act 1913 (hereinafter referred to as the principal Act).

10 **2. Collection of duty on vessels or aircraft imported otherwise than as cargo**—(1) Notwithstanding anything in the Customs Acts, entries shall be made under Part V of the principal Act in respect of such ships and other vessels, and
15 in respect of such aircraft, being ships or vessels or aircraft imported into New Zealand otherwise than as cargo, as the Minister may from time to time determine by notice in the *Gazette*.

(2) For the purpose of making entries in respect of any imported ship or vessel or aircraft to which any determination under this section applies, and for all other purposes of the Customs Acts, the ship, vessel, or aircraft shall be deemed to have been imported as cargo and to have been unshipped as such on its arrival. 5

3. Alteration of Tariff as to ships and other vessels—(1) The Tariff, being the First Schedule to the Customs Acts Amendment Act 1934, is hereby amended by repealing so much thereof as relates to the Tariff item numbered 417, and substituting the provisions set out in the Schedule to this Act. 10

(2) The Second Schedule to the Customs Acts Amendment Act 1931 is hereby amended by adding to the list of exemptions from primage duty the following item:

“Ships, boats, launches, yachts, and other vessels, and all fittings therefor, n.e.i., as may be approved by the Minister.” 15

Section 3 (1)

SCHEDULE

SUBSTITUTED PROVISIONS OF CUSTOMS TARIFF

Item No.	Tariff Item	British Preferential Tariff	General Tariff
417	Ships, boats, launches, yachts, and other vessels, and all fittings therefor, n.e.i., viz: (1) As may be approved by the Minister (2) Other	Free 20 per cent <i>ad val.</i>	Free 45 per cent <i>ad val.</i>