

# How To Clear Customs Efficiently while Importing

RICHARD TONG

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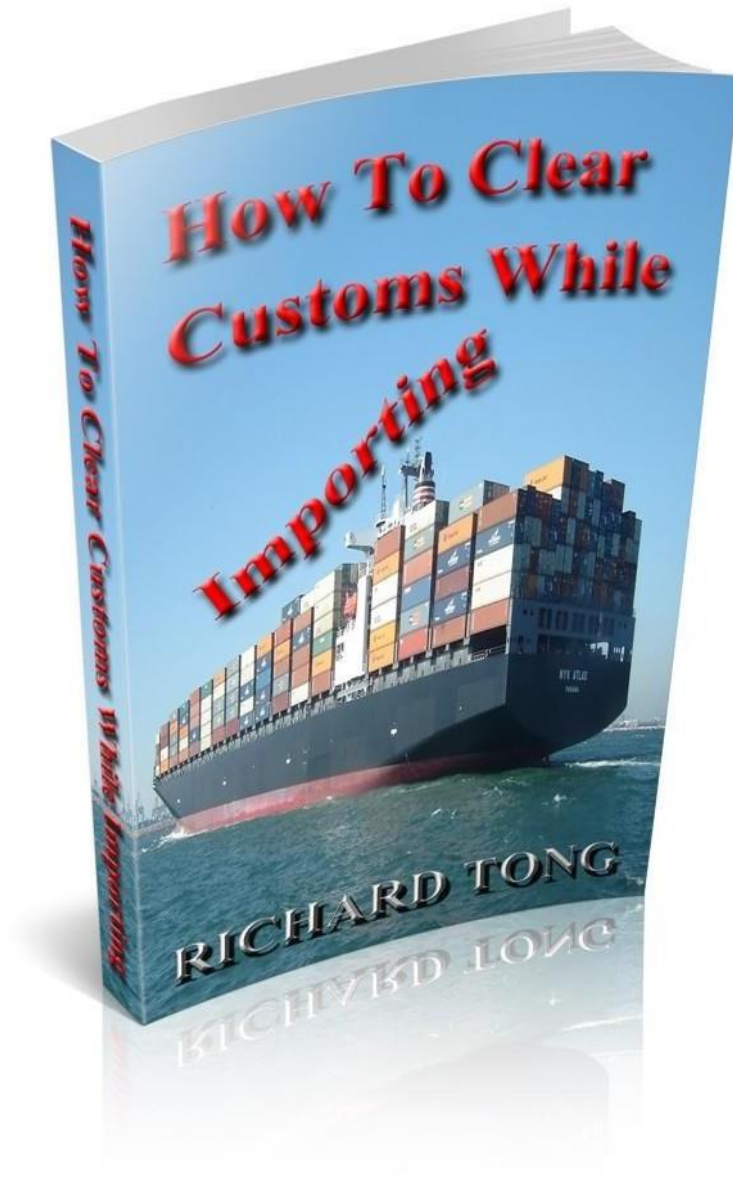
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# Container Shipping Arrangement



## Cheap Sea Container Shipping For Your China Products: Practical Advice On Pricing

It seems very difficult for new importers to figure out the container shipping in China. Why should we use container shipping? How to get container shipping quotes? How to compare and get a cheap quote? How to choose shipping forwarder and shipping companies? What factors influence shipping prices? So on and so forth. We will [guide](#) you through on how to get cheap sea container quote.

Why use container shipping?

Sea container shipping isn't the only shipping solution, but practically it is most popular and cheap [solution](#). You have air freight, sea freight and land freight to choose from. Air freight is very expensive, and of course fast. Sea container shipping is cheap, but it will take around a month to 45 days for your container to arrive U.S Ports. For quantity international shipping, if the delivery time is not urgent, mostly we will use sea container shipping. Land shipping normally used when buyer and [seller](#) are in two countries connected to each other.

How to get container shipping quotes from China shipping forwarder?

Normally, we get container shipping quotes from shipping forwarder, but if your quantity is really big enough, you can contact shipping companies to get further discount. There are many websites of shipping forwarders [online](#) that we can get container shipping quotes from one port to another port. On those websites, you can get general quotes(not accurate). For accurate quote, all you need to do is contact the contact information of shipping forwarders on the web site, compare price and check what the best discount you can get. Shipping forwarder will also help you with customs clearance. Shipping forwarders can get bulk price from shipping companies, the bigger the shipping forwarder companies are, the more discount they can get.

So simply go to [www.google.com](http://www.google.com) , search ocean container shipping forwarder, you will get millions of results.

What things influence shipping pricing in China?

The following factors will influence container shipping price:

1. On peak season, the container shipping price will be leveraged upwards.
2. When the [oil](#) price go up, the shipping price go up too.
3. Different shipping companies have difference price, for example, Maersk(main shipping company, expensive but high-quality service, and normally faster than other shipping companies) are always more expensive than other shipping companies.
4. The capacity or scale of forwarder companies. If the forward companies is big enough, they will be able to get best discounts from shipping companies, then their price will be better than small forwarder companies. Some medium and small shipping forwarder companies don't contact directly with shipping companies because they are not big enough, they contact big forwarder companies instead. And in that case, their price is less competitive.

### **Customs requirements**

There are a number of customs requirements that you need to be aware of if you [plan](#) to start importing. It is an offence to make an erroneous customs entry or declaration and it is recommended that you have a freight forwarder or customs broker assist you with this paperwork. Assistance is available from Customs Service for first-time commercial importers, but all importers are expected to handle their own paperwork, or use a professional service provider for subsequent imports.

If you want to handle this yourself, you can find out about training offered by the [Custom Brokers and Freight Forwarders Federation](#).

- Engage the services of a freight forwarding or customs broker to assist you with understanding the [trade](#) terms, and talk to your bank to understand the financial implications of the orders you are thinking of placing.
- Negotiate the terms of trade to protect you against non-delivery, later delivery, or goods that do not pass quality control tests. If the item is critical to your business, have a back-up supplier in place in case you need it.

### **Hiring a Customs Broker: How to Ensure the Importing Process Runs Smoothly**

When it comes to importing from anywhere in the world, the first question United States clients ask me is: How do I clear goods at a border? The [answer](#) is to hire a good customs broker who knows the rules and regulations of the country you wish to import goods from and can get the [job](#) done safely, fast and economically. This will allow you to focus on selling the merchandise, getting paid or both. Here's a look at what a customs broker is, what they do and how to find one.

## What is a customs broker?

Much like a freight forwarder or logistics expert on exports, licensed customs brokers are individuals, associations, corporations or partnerships that are licensed and regulated by the U.S. Customs Border Protection (CBP).

## What does a customs broker do?

Customs brokers assist with documentation (both offline and online), country specific rules and regulations, calculation of duties and related taxes, if any, and payments to the CBP. They ensure that your goods are cleared through customs in a timely, seamless and economical [fashion](#). This service is provided for a reasonable fee.

These experts typically handle issues concerning entry procedures, classification issues such as the U.S. Harmonized Tariff Classification System, tariff treatments and trade agreements, compliance, valuation and classification of goods, assessment of duties, marking of imported goods, duty drawbacks and refunds, anti-dumping and countervailing duties, Foreign Trade Zones, and record keeping, if needed.

Their obligation is to comply with regulatory and statutory requirements on behalf of an importing client.

Not all brokers can process entries nationwide, meaning at any customs port of unloading, nor can all prepare and process the paperwork required by U.S. Customs, the U.S. [Food](#) and Drug Administration (FDA) and the U.S. Department of Agriculture (USDA). Be sure to inquire before making a hiring decision.

Finally, check whether you require a [license](#), a permit to import certain goods or special additional paperwork. A customs broker can help you with this aspect of importing goods as well.

## How to find a customs broker

Two places to look for a customs broker and additional information on importing to the United States:

- a. The National Customs Brokers & Forwarders Association of [America](#), Inc. (NCBFAA)

<http://www.ncbfaa.org/>

- b. International Federation of Customs Brokers Associations



<http://www.ifcba.org/>

Additional information on importing to the United States:

U.S. Customs and Border Protection - Import

[http://www.cbp.gov/xp/cgov/trade/basic\\_trade/](http://www.cbp.gov/xp/cgov/trade/basic_trade/)

Importing can become a lucrative [business](#) in and of itself or an extension of a small organization that offers exciting growth potential. Either way, learning the ropes and doing your homework makes the process that much easier and smoother.

Note: If you are interested in [learning](#) more about customs brokers in other parts of the world, conduct a Google or Bing search with the following words: "The \_\_\_\_\_ Customs Brokers Association" Fill in the blank with your country — Japan, Australia or Singapore, for example.

### **Your Partner in Australia – Shipping Agent and Freight Forwarding Company**

Activfreight provides a full range of Sea freight and Air freight, import and export freight forwarding services.

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Activfreight chooses to only [work](#) with QUALITY service providers on your behalf, handling all modes of shipping from small airfreight consignments to containerized freight to large project freight. We have solutions for all kinds of cargo ranging from large earthmoving machinery, boats and cars to small manufactured goods. See our "consolidation services" and "high and heavy services" for further information of our capabilities.

Activfreight work with your business to provide shipping solutions that best suit your needs, catering to all business types and sizes. We will not give you a service offering with the expectation you will fit in with that offering. One of our experienced freight consultants will look at your business and develop a solution that best suits you,

Whilst our major [strength](#) and principal focus has been shipping from and to all major Asian ports, both USA and Europe also figure strongly to our volume growth.

### **Customs Brokerage, Customs and Tariff Consulting**

We offer a comprehensive Customs Clearance / Quarantine Clearance through the Australian Customs Service (ACS) and the Australian Quarantine Service (AQIS) including sea freight and air freight customs entries, parcel post and transshipments for commercial and personal effects shipments.

Our customs clearance procedures are extremely efficient and economical

**In addition to customs and quarantine clearance, we have the ability and experience to provide a comprehensive range of consulting services:**

- Tariff Concession Applications
- Policy by Laws
- Tariff Advice Applications
- Anti dumping and Countervailing
- Valuation Advice
- AAT Appeals
- AQIS Import Permits/Product Specific/Used Machinery
- AQIS Advice/Product Importation Information/ Treatment Options

For further information on Australian Quarantine Requirements: [www.daf.gov.au](http://www.daf.gov.au)

For further information on Australian Customs Requirements: [www.customs.gov.au](http://www.customs.gov.au)

### **Cargo Packing, Handling & Transport Options**

In line with Activfreight's capacity to handle import and export freight door to door, we offer solutions in packing, handling and [transportation](#). At both port of loading and port of discharge.

### **Marine Insurance**

It is strongly recommended that you insure your freight (Import / Export) while it is in transit, regardless of mode (air / sea freight). This will provide protection for your goods from door to door, within reasonable time limits. This can be arranged through Activfreight and can be quoted with shipping costs.

DSV Air & Sea offers international transport solutions within air- and seafreight forwarding as well as project-related transport solutions, customs clearance and all aspects of the logistics supply chain.

Today we are represented in Australia with more than 120 employees in Sydney, Melbourne, Brisbane, Adelaide and Perth. DSV Air & Sea obtained a foothold in yet another continent, Australia, through the acquisition of the [German](#) company J.H. Bachmann in the summer of 2005. These offices have offered freight forwarding services since 1981.

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Request a quote online or call us on **1300 ONE BCR** (1300 663 227)



# Categorization of Goods & GST



## Can I still get help with the classification of goods?

Newbie's in the import business need not worry. The Customs provide [training](#) programs which importers like you can join and meet up.

If you've succeeded around this [business](#) for quite some time already, you can finish the entry yourself. Another option is to make use of a Customs broker or agent or freight forwarder. You will be accomplishing these import entries through electronic means with the use of the CusWeb [software](#). Even if the customs documents are completed by a broker or agent, please keep in mind that you are always accountable for the truthfulness of these documents. So, there is a need to verify every single detail.

## Categorization of Goods

As in many countries of this world, categorizing goods which are imported is important and complicated, and it may be best to use a Customs [broker](#). You are responsible for categorizing properly. Whether you use a broker or finish the process yourself, you will need to provide certain information. This includes:

- Purchase invoice
- Cost of Manufacturing, Freight, and Insurance



- A [Product](#) sample
- Copies of Catalogues or brochures
- Evidence of origin
- Receipts for Proof of payment

In addition, for some items, you will also need the following:

- A Bill of Lading or An Airway Bill
- Invoices
- Packing lists
- Insurance certificates

It will also be necessary for importers to contact shipping companies, airlines, or freight forwarders to know their requirements, operating hours, and location of goods.

### **Help for Classification of Goods**

If you are a “Newbie” to the import business, you don’t need to worry. Training programs are available through Customs. For information about these programs, send an email to customs clearance service of your country, such as New Zealand Customs [cbaff@clear.net.nz](mailto:cbaff@clear.net.nz).

If you’ve been in the business for some time, you may be able to finish the entry yourself. You do this through electronic means with the use of the CusWeb [software](#). Again, remember that you are always accountable for the truthfulness of these documents. Make sure you are able to verify every detail.

### **Arrival of Goods**

When your goods arrive, Customs will either relinquish the inspection or check your goods. Commercial documentation may not be necessary, but you still should keep all Customs documentation for a period of five years. Notify your broker or freight forwarder of any errors. Make a [note](#) of surplus goods, promotional materials and samples. If you’ve ever had one, you have to submit an Australian Business Number (ABN). This allows importers to obtain input tax credits. Goods and services tax (GST) is payable on most goods imported into Australia.

Another form of tax is the GST–Goods and Services Tax. This is payable by businesses, organizations, and private individuals whether they are registered for GST or not. If you are a GST-registered business or organization and you import goods as part of your activities, however, you may be able to claim a GST [credit](#) for any GST you pay. You do this by participating in the deferred GST scheme. The GST deferral scheme allows you to defer the payment of GST on taxable importations until the first activity statement you lodge after the goods are imported. Certain eligibility requirements need to be met in order to participate in this scheme.

### **Costs of Tariffs and Duties**

The tariffs and duties of your goods are determined through categorization, country of origin, and the [trade](#) agreements some countries. Duty is expressed as a percentage rate. It is calculated on the Customs value of the goods.

When determining the costs of duties and tariffs, it is necessary to rely on the classification [code](#) of the goods, appraisal, and country where the goods came from. Appraisal of goods is a complicated process, therefore, it is good advice to consult a customs broker. You can also contact the Customs Information and Support Centre on 1300 363 263, or email them at [information@customs.gov.au](mailto:information@customs.gov.au).

indirect tax – importers Background

Goods and Services Tax (GST) is payable on taxable supplies and taxable importations. This [web](#) page focuses solely on taxable importations because Customs has no role in the administration of taxable supplies. For information on taxable supplies you should look at the web site of the Australian Taxation Office: (<http://www.ato.gov.au>).

### What is GST?

Known as the Goods and Services Tax, a 12.5% GST is imposed on roughly all products imported to NZ. You can pay the GST by totting up the following amounts:

Customs value of the goods

Any import duty, anti-dumping and countervailing duties, ALAC or HERA levies payable

Freight and insurance costs of transporting the goods to New Zealand.

### What is an Import Entry Transaction Fee?

Each commercial import entry and import declaration for goods with a duty and GST liability of \$50 or more is imposed with an Import Entry Transaction Fee of \$25.38 (GST inclusive).

### GST Overview

Customs is responsible for calculating and collecting GST on imported goods and administering all matters concerning taxable Importations. This role includes ensuring that:

GST exemptions claimed by importers are correct;

The value of the taxable importation is correctly calculated; and

GST payable on taxable importations is paid to Customs or appropriately deferred for payment on the next [Business](#) Activity Statement.

GST is payable on imported goods unless the goods are covered by an **exemption**. The *A New Tax System (Goods and Services Tax) Act 1999* (the GST Act) states that the importer shall pay GST at the same time and in the same manner as customs duty is paid. It also provides that the rate of GST applicable on taxable importations is 10% of the value of the taxable importation. The value of the taxable importation is the sum of:

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- a. the customs value of the imported goods; and
- b. the amount paid or payable;
- c.
  - i. for the international transport of the goods to their place of consignment in Australia and;
  - ii. to insure the goods for that transport;  
to the extent that the amount is not already included in the customs value; and
- d. any customs duty payable in respect of the importation of the goods; and
- e. any [wine](#) tax payable in respect of the local entry of the goods.

Goods that are entered for warehousing are not liable for GST until such time as they are cleared from the warehouse for "home consumption" ("home consumption" means that the goods enter into the [commerce](#) of Australia).

There is provision for certain importers to defer GST on imports. (**more**)

The Australian Taxation Office has issued a GST ruling on the importation of goods into Australia. You can access GSTR 2003/15 at <http://law.ato.gov.au/atolaw/index.htm>

### Taxable importations

Imported goods cleared by Customs are taxable importations pursuant to GST Act:

§13-5 - goods entered for home consumption

§114-5 - goods cleared without a customs entry (eg goods imported by passengers and other goods cleared on informal clearance documents)

Note that entries for warehousing and entries for transshipment are not taxable importations (although warehoused goods would subsequently become taxable importations if they were entered for [home](#) consumption ex warehouse). More information about warehousing imported goods is contained in: **Customs Warehouses - Deferment of Duty Fact Sheet** (27kb)

### Non-taxable importations

There are three categories of non-taxable importations:

importations of goods the supply of which is GST-free (Division 38, GST Act) or input-taxed (Division 40, GST Act) - [§13-10 GST Act];

goods that qualify for certain customs duty concessions - [§42-5 GST Act]; and

goods returned to Australia in an unaltered condition and with unchanged ownership - [§42-10 GST Act].

Goods that are imported and **would have been treated as GST-free** if they had been supplied within Australia are non-taxable importations.

Goods that are imported and **would have been treated as input-taxed** if they had been supplied within Australia are non-taxable importations.

**Imported goods that qualify for certain customs duty concessions** are non-taxable importations.

**Goods returned to Australia in an unaltered condition** and with unchanged ownership are non-taxable importations.

Owners and Customs Brokers use "GST exemption codes" on entries for home consumption to identify non-taxable importations.

### **Imports of goods that would be GST-free or input taxed if supplied within Australia**

Goods that are imported and would have been treated as GST free if they had been a supply, are not subject to GST. Examples include:

- basic [food](#)
- certain medical aids and appliances
- cars for use by disabled people

It is important to note that there are numerous definitions and criteria that apply to the treatment of food and medical aids and appliances under GST legislation. Reference to the legislation must be undertaken to determine whether a specific commodity is taxable or exempt. Alternatively you may contact Customs for further clarification.

Goods that are imported and would have been treated as Input Taxed if they had been a supply, are also not subject to GST. Examples include:

- precious metals

The GST legislation provides definitions and criteria that apply to the [treatment](#) of precious metals. Precious metal for the purposes of GST is:

- gold (in an investment form) of at least 99.5% fineness; or
- silver (in an investment form) of at least 99.9% fineness; or
- platinum (in an investment form) of at least 99% fineness; or
- any other substance (in an investment form) specified in the regulations of a particular fineness specified in the regulations.

(No regulations have been made to specify any substance other than gold, silver or platinum. To be precious metal for the purposes of GST, the metal must therefore be gold, silver or platinum).

Jewellery does not meet the definition of 'precious metal' because it is not in an [investment](#) form.

The [Tax](#) Office has issued a GST ruling that discusses: What is a 'precious metal' for the purposes of GST? You can access GSTR 2003/10 at <http://law.ato.gov.au/atolaw/index.htm>

**Imports that qualify for the following customs duty concessions are not subject to GST**



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Customs duty concessions that are also non-taxable comprise the following items from Schedule 4 to the Customs Tariff Act 1995:

Item 4\* - goods for the official use of a foreign government

Item 8\* - goods for a person the subject of a Status of Forces Agreement

Item 15\* - goods imported by overseas travellers ('**the passenger concession**'). The following goods are covered by this duty concession:

A\$900 worth of goods (A\$450 for people under 18) including gifts (given to you or intended for others), souvenirs, cameras, electronic equipment, leather goods, perfume concentrates, jewellery, watches and [sporting](#) equipment. [Alcohol](#) and tobacco products cannot be included in this concession.

2.25 litres of alcoholic beverages for each passenger aged 18 years or over.

250 cigarettes, or 250 grams of cigars or [tobacco](#) products for each passenger aged 18 years or over. One opened packet containing 25 cigarettes or less is also allowed.

most personal items such as new clothing, footwear, and articles for personal hygiene and grooming (but not fur or perfume concentrates).

personal goods owned and used by you for at least twelve months.

**NOTE: HOWEVER**, if you exceed any of the concession limits set out above, Customs will charge you duty and tax on the entire importation or purchase within that group of items.

Items 18A\* and 18B\* - goods returned after repair or replacement under warranty

Item 18C\* - global product safety recall goods

Item 21\* - goods imported for repair, alteration or industrial processing, thence export

Item 21A\* - TRADEX goods

Items 23A\* and 23B\* - bequeathed goods

Item 24\* - goods imported under a will or intestacy

Items 25A\*, 25B\*, 25C\* - trophies, medals and the like

Items 32A\* and 32B\* - "low value goods" on which the revenue payable is \$50 or less

Items 33A\* and 33B\* - certain printed matter and samples

Item 34\* - certain containers (not shipping containers) that will be exported from Australia without being put to any other use

\* The description of the items listed above is only a summary. Reference to the legislation must be undertaken to determine whether a specific commodity is taxable or exempt. Alternatively you may contact Customs for further clarification.

Note: Regulations have not been made for the purpose of 42-5(1C) of the GST Act. As a result, 4th Schedule Items 1A, 1B, 1C, 1D, 1E, 5, 6, 9 and 16 are NOT non-taxable importations. Goods imported under these items are free of customs duty but are subject to GST.

Importers must quote an exemption [code](#) when entering exempt goods for home consumption.

## **Goods reimported into Australia in unaltered condition and with unchanged ownership**

Goods, originally acquired in Australia, that were exported by their owners and subsequently reimported with unchanged ownership are a non taxable importation. (Section 42-10, GST Act)

The provision only applies where:

- the importer is the [manufacturer](#) of the goods; or
- the importer has previously acquired the goods and the supply by means of which the importer acquired the goods was a taxable supply; or
- the importer has previously imported the goods and the previous importation was a taxable importation.

The provision also applies to goods acquired prior to 1 July 2000 that would have been subject to the sales [tax](#) regime at the time of their acquisition.

### Temporary imports

Goods imported temporarily may be brought into Australia without the payment of customs duty or taxes for a period of up to twelve months. Some general [information](#) on **temporary importations**.

The GST legislation states that GST is not payable on a taxable importation while the temporary importation provisions of the Customs Act 1901 cover the goods in question. It is important to note that this provision is not an exemption, but merely acts as a mechanism to delay payment of GST. In the majority of circumstances, goods covered by temporary importation provisions are re-exported and payment of the customs duty or GST is not required.

If the goods imported temporarily remain in Australia, the duty and GST must be paid.

### **Payment of GST on taxable importations**

You must pay the GST to Customs at the time of clearance unless you are approved for GST deferral (see below). At the end of the month Customs advises the Australian Taxation Office (ATO) of the amount of GST paid or deferred by each importer.

### **How much GST do I have to pay?**

You must pay 10 per cent of the value of the taxable importation (VoTI). The VoTI is the sum of:

- the customs value of the imported goods; and
- the amount paid or payable for the international transport of the goods to their place of consignment in Australia and to insure the goods for that [transport](#), to the extent that the amounts are not already included in the customs value; and
- any customs duty payable in respect of the importation of the goods; and
- any wine tax payable in respect of the local entry of the goods.

### **What does international transport and insurance include?**

The VoTI includes the amount paid or payable to transport goods from the place of export to the place of consignment in Australia and to insure the goods for that transport. The place of consignment in Australia is defined as:

- importations by air or [sea](#) - the port or airport of final destination as indicated on the transportation documentation (eg bill of lading or air waybill);
- importations by post - the place in Australia to which the goods are addressed.

**Note:** "Importations by post" is not restricted to goods carried by Australia Post. The ATO has ruled that goods weighing less than 31.5 kgs that are transported to Australia and delivered door-to-door by an international express courier service or similar door-to-door courier are goods posted to Australia.

### **What costs or charges incurred in the origin country form part of the "international transport of the goods"?**

In essence, the international transport and insurance includes all costs to get the goods to Australia that are not already included in the price of the goods.

**Australian Customs Notice 2000/35** provides more detailed information about transport and insurance issues.

The GST deferral [scheme](#)

The Australian Taxation Office (ATO) operates a scheme that provides for the deferral of GST on imported goods. Customs duty is still payable before the goods are released from Customs control.

Importers are qualified to apply to the ATO for admission to the scheme if they satisfy certain eligibility criteria including:

- having an Australian Business Number;
- being registered for GST;
- lodging their Business Activity Statement (BAS) monthly, via the internet-based e-commerce [system](#) operated by the ATO;
- paying their Business Activity Statement (BAS) liabilities electronically;
- dealing with Customs electronically; and
- not having any [debt](#) to or returns outstanding with the ATO, as a general rule.

### **What is the scope of the Deferred GST Scheme?**

Deferral of GST on imported goods extends to all importations that are entered for home consumption (Nature 10 and Nature 30 entries). The scheme also covers **Post Warrant Amendment entries** where additional GST is payable (eg Nature 11 and 31 entries).

Goods in the following categories are excluded from the scheme:

- Goods imported under the TRADEX scheme that are diverted into home consumption;

Low value imports cleared on informal clearance documents  
Goods imported temporarily under Customs Act s162 or s162A.

### **How does the deferral scheme operate?**

Importers quote their Australian Business Number to Customs when they enter goods for [home](#) consumption. If the importer has been approved to defer GST, Customs releases the goods after payment of any customs duty or other charges. Customs records the deferred GST liability of each shipment as it is cleared. At the end of the month, Customs advises the ATO of the total deferred liability of each importer who deferred GST.

The ATO includes the amount of deferred GST on the Business Activity Statement (BAS) before it is issued to each participant. In this way, the amount of deferred GST liability is included in the [calculation](#) of net liability in the BAS for the month.

[Click](#) here for more detailed information about the **GST deferral scheme**.

### Reporting importations on the Business Activity Statement

All entities registered for GST purposes must lodge a [Business](#) Activity Statement (BAS) with the Australian Taxation Office (ATO) within 21 days of the conclusion of their reporting period. Importers registered for GST purposes are required to report all importations, whether taxable or non-taxable, at BAS item numbers G10 and G11.

**For non-taxable importations** the amount shown should be the actual amount paid for the goods plus the cost of the international transport and insurance.

**For taxable importations** you can record either the value of the taxable importation plus the amount of GST (paid or deferred), or if that information is not available, the GST (paid or deferred) x 11.

These amounts should be included in the totals for capital acquisitions or other acquisitions.

### **Deferral importations and the BAS**

If an importer is approved by the ATO to defer GST at the time of importation, additional BAS procedures apply.

At the end of each month Customs advises the ATO of the aggregate liability (GST deferred) for each importer.

The ATO pre-populates the importers BAS with the amount of GST that was deferred during the month at item 7A on the statement. It then issues the BAS to the registered importer electronically.

Registered importers who participate in the Deferred GST Scheme need to acquit their liability by completing items G10 and G11 on the BAS (see above), with details of all taxable and non-taxable importations made during the reporting period.

Click **here for information** on how to obtain deferral transaction details to reconcile to the deferred GST liability amount at item 7A on your BAS.

The Australian Business Number (ABN)

The Australian [Business](#) Number (ABN) is a single identifier that is used for dealings with the Australian Taxation Office (ATO) and other government departments and agencies, including Customs. The aim of the ABN system is to simplify the way businesses deal with government by providing a single key to registration services across government, thereby offering a one-stop shop.

An ABN is available to:

- all companies registered under the Corporations Law in Australia;
- government departments and agencies;
- business entities; and
- other entities that are required to be registered for GST purposes (eg charitable and religious institutions).

It is not mandatory for a business entity to have an ABN; however, an entity needs an ABN to register for GST purposes. Being registered for GST allows business entities to claim back the GST they have paid on business inputs, through the input tax credit system.

For companies, the ABN is based on the nine-digit Australian [Company](#) Number (ACN) with two leading digits added. Entities without an ACN receive an eleven-digit ABN. For GST purposes, the ATO is able to register ABN holders in a number of ways, including groups and branches. For more information on groups and branches, **contact the ATO**.

### **Customs use of the ABN**

For Customs purposes importers and exporters are required to use their ABN to identify themselves on import entries (COMPILE [system](#)) and export entries (EXIT system). Importers who are not entitled to an ABN will continue to be identified by Customs owner codes. **Australian Customs Notice 2000/13** provides advice on linking ABNs to owner codes.

The ATO administers the registration of ABNs for business entities. Please contact the ATO if you require application details or **further information**.

### **Wine Equalisation Tax**

Wine and other similar fermented beverages are subject to a value-based tax called Wine Equalisation Tax (WET). WET applies to [grape](#) wine, fruit and vegetable wine, cider, perry, mead, sake, and grape wine products such as marsala, vermouth, wine creams and cocktails.

The WET rate is 29 per cent and is levied at the wholesale level. For the Australian domestic [market](#), the WET liability is remitted to the Australian Taxation Office (ATO). For imports, the WET liability is remitted to the Customs.

More information about Wine Equalization Tax is available from the **Australian Tax Office**. In particular, the Tax Office has issued a WET ruling. You can access WETR 2002/02 at <http://law.ato.gov.au/atolaw/index.htm>

### **Luxury Car Tax**

## "How to Clear Customs while Importing" by Richard Tong

A luxury car tax (LCT) is payable on imports of luxury cars in addition to any GST payable unless the luxury cars are covered by an **exemption**.

The LCT threshold is the car depreciation limit for [income](#) tax purposes. For the 2008/2009 financial year the LCT threshold is \$57,180.

Cars with a GST-inclusive value above the LCT threshold are subject to LCT. In general, the LCT value of a car includes the value of any parts, accessories or attachments supplied or imported at the same time as the car.

LCT does not apply to fuel efficient cars below the fuel-efficient luxury [car](#) threshold of \$75,000 for the 2009/10 financial year. Further information on Fuel Efficient Luxury Cars is available in **Australian Customs Notice 2009/41**.

Registered entities are generally able to quote their ABN in [relation](#) to the supply or importation of a luxury car where they intend holding the car as [trading](#) stock (other than for hire or lease), carrying out research and development for the car manufacturer, or exporting the car where the export is GST-free. The quotation system is designed to prevent LCT becoming payable before the car is sold or imported at the retail level.

Private importers pay LCT on entry for home consumption. Further information on LCT is available in **Australian Customs Notice 2009/41** and for reference purposes **Australian Customs Notice 2001/32**.





## Customs Clearance Documentation

You don't have to hire in-house staff to prepare shipping documents, customs declaration and other import/export formality, shipping forwarder can handle those for you.

### **(1) Packing List**

#### **Definition**

Itemized [list](#) of articles usually included in each shipping package, giving the quantity, description, and [weight](#) of the contents. Prepared by the shipper and sent to the consignee for accurate tallying of the delivered goods. Also called bill of parcels, packing slip, or unpacking note.







<b>Commercial Invoice</b>		Exporter Reference	Date
<b>Shipper/Exporter</b>	Customer Reference	Terms of Payment	Incoterms
	Letter of Credit Number	Ship Via	Carrier Name
<b>Bill To</b>	Export Date	Import License Number	
	Special Instructions		
<b>Consignee/Ship To</b>	Hazardous Material Packing Information	IMCO Code	ITN
<b>Item #</b>	<b>Quantity</b>	<b>UOM</b>	<b>Product ID</b>
			<b>Product Description</b>
			<b>HTS No</b>
			<b>CO</b>
			<b>Unit Price</b>
			<b>Total</b>
Shipping Number			



**VIETNAM HANDICRAFT COMPANY LIMITED**

1/194 Nguyen Trai, Thanh Xuan, Hanoi, Vietnam  
 Tel: (84-4) 66820188 Website: http://vietcraft.vn

**COMMERCIAL INVOICE**

N<sup>o</sup>: 02/VH-DN/12  
 DATE: 26/7/2012

**THE SELLER:**

**VIETNAM HANDICRAFT COMPANY LIMITED**

1/194 Nguyen Trai, Thanh Xuan  
 Hanoi  
 Vietnam

**THE BUYER:**

**Importer INC.**  
 188 Kirkland, Montreal  
 Quebec  
 Canada

**SALES CONTRACT N<sup>o</sup>:**

02/VH-II/12 DD 20/05/2012

**PORT OF LOADING:**

HAIPHONG PORT

**PORT OF DISCHARGE:**

PRINCE RUPERT

**CONTAINER / SEAL N<sup>o</sup>:**

CBHU6211886 / P89998

**B/L N<sup>o</sup>:**

HPH12670099

**DESCRIPTION OF GOODS:**

BAMBOO BOWLS

N <sup>o</sup> :	ITEM N <sup>o</sup> :	DESCRIPTION OF GOODS	QUANTITY PER ITEM (PCS/SET)	FOB HAIPHONG PRICE (USD)	AMOUNT (USD)
1	VH1808-GR	BAMBOO SALAD BOWL - GREEN	1.690 SET	9,98 /SET	16.866,20



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**B/L N<sup>o</sup>:** HPH12670099  
**DESCRIPTION OF GOODS:** BAMBOO BOWLS

N <sup>o</sup> :	ITEM N <sup>o</sup> :	DESCRIPTION OF GOODS	QUANTITY PER ITEM (PCS/SET)		FOB HAIPHONG PRICE (USD)		AMOUNT (USD)
1	VH1808-GR	BAMBOO SALAD BOWL - GREEN	1.690	SET	9,98	/SET	16.866,20
2	VH1808-RD	BAMBOO SALAD BOWL - RED	1.890	SET	9,98	/SET	18.862,20
<b>TOTAL</b>			<b>3.580</b>	<b>SETS</b>			<b>USD 35.728,40</b>

*Say: United States Dollars thirty five thousand seven hundred and twenty eight and forty cent only*

COUNTRY OF ORIGIN: VIETNAM

**FOR AND ON BEHALF OF  
 VIETNAM HANDICRAFT COMPANY LIMITED**



GIAM ĐỐC  
*Vũ Lưu Hoàn*

### (3) Packing Declaration

#### Definition

Document(s) prepared by a [consignor](#) or shipper to certify that the dangerous goods being transported have been packaged, labeled, and declared in accordance with the standard international [shipping](#) regulations.

Sample Packing Declaration.

**Company Letterhead**

(MUST be issued by the packer or supplier of the goods, and MUST include the company's name AND address)

FCL  or LCL  PACKING DECLARATION  
[Boxes  to be marked with an X in the appropriate place]

Vessel Name: .....

Voyage Number: .....

Consignment identifier(s) or Numerical Link(s): .....

**PROHIBITED PACKAGING MATERIAL STATEMENT**

(Prohibited packaging materials include straw, bamboo, peat, hay, chaff, etc.)

Q1. Have prohibited packaging materials or bamboo products been used as packaging or dunnage in the consignment covered by this document?

A1. YES  NO

**TIMBER PACKAGING / DUNNAGE STATEMENT**

(Timber packaging/dunnage includes: crates, cases, pallets, skids, and any other timber used as a shipping aid.)

Q2a. Has Timber packaging/dunnage been used in consignments covered by this document?

A2a. YES  NO

**ISPM 15 STATEMENT**

Q2b. All timber packaging/dunnage used in the consignment has been treated and marked in compliance with ISPM 15?

A2b. YES  NO

**BARK STATEMENT**

(This is also applicable to ISPM 15 compliant packaging/dunnage. Bark is the external natural layer covering trees and branches.)

Q3. Is all timber packaging/dunnage used in this consignment free from bark?

A3. YES  NO

**CLEANLINESS STATEMENT (For FCL consignments only)**

The container(s) covered by this document has/have been cleaned and is/are free from material of animal and/or plant origin and soil.

Signed: ..... Date of Issue: .....

(Company Representative)

北京恒天运输有限责任公司  
BEIJING HENG TIAN SHIPPING LTD RELIABLE CO.  
No.601-602 Unit 4 Bldg No.201 Nong Guang Li Chao Yang District Beijing China 100021  
TEL: 0086-10 6735 9581/84.; FAX: 0086-10 6735 9580

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**PACKING DECLARATION**

Ship name: CAMILLA RICKMERS Voyage Number: V. 2015E  
Container Number(s): TJBOS300094

Above container has not contained straw packing. (Straw packing includes straw, cereal rice hulls, and other unprocessed plant materials.)

Above container has not contained timber packing. (Timber packing includes: Crates, Cases, Dunnage, Pallets, Skids, and any other timber used as shipping aid)

Above container contains no plastic wrapping in packing.

Signed: LI YANG Director 2001 / 5 / 28  
北京恒天运输有限责任公司  
BEIJING HENG TIAN SHIPPING  
LIMITED RELIABLE COMPANY  
王强


#### (4) Proforma Invoice

##### Definition

An abridged or estimated invoice sent by a [seller](#) to a buyer in advance of a shipment or delivery of goods. It notes the kind and quantity of goods, their value, and other important [information](#) such as weight and transportation charges. Pro forma invoices are commonly used as preliminary invoices with a quotation, or for customs purposes in importation. They differ from a normal invoice in not being a demand or request for [payment](#).

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Proforma Invoice		Date						
Shipped/Exporter	Exporter Reference							
	Customer Reference							
Bill To	Terms of Payment							
	Incoterms: Ship Via: Carrier Name:	Export Date:						
Consignee/Ship To	Letter of Credit Number	Import License Number						
	Marks and Numbers							
	Special Instructions							
	Hazardous Material Packing Information	MCO Code ITN						
Item #	Quantity	U M	Product ID	Product Description	HTS No	CO	Unit Price	Total
Shipping Number								



Your company name here  
Your company address line1 here  
Your company address line2 here  
Your company address line3 here

Your ZIP code here  
Phone: 12345678    Mobile: 12345678

## PROFORMA INVOICE

Number: A000000  
Date: 2010/7/27

Page No. 2

Billing Address:		Shipping Address:	
Company:	Sample customer name 001	Company:	Sample customer name 001
Name:	C0001	Name:	C0001
Address:	Sample address line1 Sample address line2 Sample address line3	Address:	Ship to address line1 Ship to address line2 Ship to address line3

Shipping Method:

Order Information: Currency Dollar

Qty	Product Description	Amount Each	Amount
1.5	Stock item example description 001	1,000.00	1,500.00
1	Stock item example description 002	2,000.00	2,000.00
2	Service charge invoicing item 001	100.00	200.00
3	Service charge invoicing item 002 Additional line 1 for this item Additional line 2 for this item	200.00	600.00
Subtotal:			4,300.00
Tax:			430.00
Shipping:			0.00
<b>Grand Total:</b>			<b>4,730.00</b>

Notes:

Your self-defined note1 here

Your self-defined note2 here

Additional Information: For contract job ABC etc.

## (5) Bill of Lading

### Definition

A document issued by a [carrier](#), or its agent, to the shipper as a contract of carriage of goods. It is also a receipt for cargo accepted for transportation, and must be presented for taking delivery at the destination.

Among other items of information, a bill of lading contains (1) consignor's and consignee's name, (2) names of the ports of departure and destination, (3) name of the vessel, (4) dates of departure and arrival, (5) itemized [list](#) of goods being transported with number of packages and kind of packaging, (6) marks and numbers on the packages, (7) weight and/or volume of the cargo, (8) freight rate and amount. It serves as a proof of [ownership](#) (title) of the cargo,



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and may be issued either in a negotiable or non-negotiable form. In negotiable form, it is commonly used in [letter](#) of credit transactions, and may be bought, sold, or traded; or used as security for borrowing [money](#). A bill of lading is required in all claims for compensation for any damage, delay, or loss; and for the resolution of disputes regarding ownership of the cargo. The rights, responsibilities, and liabilities of the carrier and the shipper under a [bill](#) of lading (often printed on its back) are governed generally either by the older Hague rules, or by the more recent Hague-Visby rules. See also lading.

**Straight Bill of Lading**                      **Short Form - Original - Non Negotiable**

CARRIER NAME \_\_\_\_\_ AT \_\_\_\_\_ DATE \_\_\_\_\_  
 CARRIER'S NO. \_\_\_\_\_ Shipper's Reference \_\_\_\_\_

Received, subject to the declarations and tariffs in effect on the date of this Bill of Lading, the property described herein, in apparent good order, except as noted hereon and condition of contents of packages unknown, marked, counted, and declared as indicated herein, which said property (the mark appearing hereon being understood throughout this bill) is consigned to the order of the party or parties in possession of this property under the control of the carrier at the place of origin of said property. It is hereby agreed, on the part of the carrier, that it is not liable for any loss or damage to or destruction of the goods in transit, and that every service to be performed hereunder shall be subject to all the conditions, prohibitions, terms, whether printed or written, herein contained and specified in Appendix B to Part 102, which are hereby agreed to by the shipper and accepted for himself and his consignee.

<b>Shipper</b>	<b>Consign To</b>	Declared Value: \$ _____ Freight Charges: _____ Route: Delivering Carrier: Vehicle/Car No: _____ HAZMAT Material Emergency Response Telephone Number: _____				
<b>Bill Prepaid Freight Charges To:</b>	Charges to be Paid by: Collected on Delivery _____ in Remit COD to: _____					
<b>Special Instructions:</b>						
<b># of Units</b>	<b>↑ Hbl</b>	<b>Type of Package</b>	<b>Description of Articles, Special Marks, and Exceptions</b>	<b>Weight</b>	<b>Class or Rate</b>	Subject to Section 7 of the agreement between Shipper and Carrier, if the shipment is to be delivered to the consignee without recourse on the consignee, the consignee shall sign the following statement. The carrier shall make delivery of the shipment without payment of freight and all other local charges. by _____ (Signature of Consignee) PO No: _____ Invoice No: _____ Shipment No: _____ XTN No: _____
Total Pieces				Total Weight		
<small>† Mark with 'X' in duplicate HAZARDOUS MATERIALS as defined in the Department of Transportation Regulations governing the transportation of hazardous materials. The use of this column is not required for identifying hazardous materials on Bill of Lading per section 172.201 (a) (1) (2) of 49 CFR, Code of Federal Regulations. Also when SHIPPING HAZARDOUS MATERIALS on the shipper's verification statement provided in Section 172.204 (a) of the Federal Regulations must be indicated on the bill of lading, unless a specific exemption from this requirement is provided in the Regulations for a particular material.</small>						
<b>Marks &amp; Numbers:</b>		These to verify that the contents of this consignment are fully and correctly described above by proper shipper's name and are marked, counted, marked, sealed, and are in all respects in proper condition for transportation according to the applicable national and international and government regulations. Per _____ Date _____			<b>Carrier's Agent:</b> Per _____ Date _____	
Place Pro Label Here		<b>Shipper:</b> Per _____ Date _____			<b>Carrier:</b> Per _____ Date _____	

Bill No. 1002



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MAERSK LINE		COMBINED TRANSPORT BILL OF LADING	
Shipper's name and address BCO ECONOMICS LTD. 100 AEG STREET MISSISSAUGA, ONT. CANADA L4Z 2K5 PHONE: (905) 000-0000 Complete bill of lading name and address TO THE ORDER OF UTTARA BANK LTD.		Bill of Lading No. 000 Export reference CFF/99570A	
Bill of Lading consignee name and address ASK BUYER INC. 200 BUYER STREET CHITTAGONG BANGLADESH		Forwarding agent - reference CROWN FREIGHT FORWARDERS LTD 375 TRADERS BLDG MISSISSAUGA ON L4Z 2K5 Name and Country of Origin BANGLADESH	
Discharge by TORONTO		Date of discharge TORONTO	
Vessel SL CHAMPION 043E HALIFAX		Port of loading HALIFAX	
CHITTAGONG CARRIER'S RECEIPT Marks and Numbers MAEU SEAL 000 BDL 25-31 APWU SEAL 000 BDL 32-39		CHITTAGONG PARTICULARS FURNISHED BY SHIPPER - CARRIER NOT RESPONSIBLE General remarks, description of goods SHIPPERS LOAD, STOW AND COUNT X 20' CONTAINERS S.T.C. 15 BDLs 42.25 M.TONS B.P. SHEET/COLOUR SHEET SECONDARY QUALITY. SIZE: 3 FEET N UP X 6 FEET N UP. THICKNESS: 6MG 22.6 LIGHTER PACKING: STANDARD EXPORT PACKING L/C: 113 12 28 095 ON BOARD SL CHAMPION 043E PORT OF LOADING HALIFAX ON SEPT 13, 99 16 DAYS FREE DEMURRAGE	
Freight & Charges ON BOARD SEP 13 1999		Gross Weight 94242.000 Measurement LBS	
Declared total charges See clause 10 for Declared value of goods Number of Original B/Ls 3/3 Date of issue TORONTO SEP 13 1999		Total Freight Total Duties Date TORONTO SEP 13 1999	
MAERSK LINE U.S. OUTSIDE CONTAINER FONO NO. 1-800-897-1100 1998		For Freight Book of 1917, Rules and Regulations apply to all bills of lading MAERSK CANADA INC. AGENTS FOR THE CARRIER <i>Richard Tong</i>	

# Import Trade Glossary of Terms



## Consignee

### Definition

A [party](#) (usually a buyer) named by the consignor (usually a seller) in transportation documents as the party to whose order a consignment will be delivered at the port of destination. The consignee is considered to be the [owner](#) of the consignment for the purpose of filing the customs declaration, and for paying duties and taxes. Formal ownership of the consignment, however, transfers to the consignee only upon payment of the seller's invoice in full.

## Shipper

### Definition

1. Consignor, exporter, or seller (who may be the same or different parties) named in the shipping documents as the party responsible for initiating a shipment, and who may also bear the freight [cost](#).
2. A shipping container.

## Notify Party

### Definition

Usually the buyer or the importer (who is not the consignee of the shipment because it is consigned to a [bank](#)) named in the shipping documents as the party to whom a notice of arrival must also be sent.

## FOB - free on board

### Definitions (2)

1. Term of [sale](#) under which the price invoiced or quoted by a seller includes all charges up to placing the goods on [board](#) a ship at the port of departure specified by the buyer. Also called collect freight, freight collect, or freight forward.
2. Used in shipping to indicate that there is no charge to the buyer for goods placed on board a carrier at the point of shipment. Typically followed by the name of a port or city, e.g., F.O.B. San Francisco. See also ex works.  
Abbreviation for "free on board (Named port of shipment)."

## CIF - cost, insurance, freight

### Definition

A shorthand term for signifying that the price invoiced or quoted by a seller includes insurance and all other charges up to the named port of destination. In comparison, carriage and insurance paid to (CIP) terms include insurance and all charges up to a named place in the country of destination (usually the buyer's warehouse). See also cost and freight (C&F).

**Cost, Insurance and Freight (Named port of destination)** - Shipping term included in a contract of [sale](#) (abbreviated as CIF) meaning that the seller agrees to take full responsibility for delivering the goods to the port of loading, clear the goods for export, and arrange and pay for transportation and marine insurance over the goods to the named port of discharge, such costs being included in the price of the goods. Nonetheless, all risk of [loss](#) or damage to the goods, as well as any additional costs due to events occurring after the time the goods have been delivered on board the vessel, is transferred from the seller to the buyer when the goods pass the ship's rail at the port of loading. It is up to the buyer to arrange transportation from the port of discharge.

## C&F - cost and freight

### Definition

Term of sale signifying that the price invoiced or quoted by a seller for a shipment does not include insurance charges, but includes all expenses up to a named port of destination. In comparison, carriage paid to (CPT) terms include all transport charges (but not insurance) up to a named place (usually the buyer's warehouse) of destination. See also cost, insurance, freight (CIF).

**Cost and Freight (Named port of destination)** - Shipping term included in a contract of sale (abbreviated as CFR or C&F) meaning that the seller agrees to take full responsibility for delivering the goods to the port of loading, clear the goods for export, and arrange and pay for transportation of the goods to the named port of discharge, such costs being included in the price of the goods. Nonetheless, all [risk](#) of loss of or damage to the goods, as well as any additional costs due to events occurring after the time the goods have been delivered on board the vessel, is transferred from the seller to the buyer when the goods pass the ship's [rail](#) at the port of loading. It is up to the buyer to arrange marine insurance for the ocean voyage and transportation from the port of discharge.

## International Trade

### Definition

The exchange of goods or services along international borders. This type of trade allows for a greater competition and more competitive pricing in the market. The competition results in more affordable products for the consumer. The exchange of goods also affects the [economy](#) of the world as dictated by supply and demand, making goods and services obtainable which may not otherwise be available to consumers globally.

## Production Lead Time

### Definition

Period between receipt of an order and until when it is available for packing or shipment.

## Import Quota

### Definition

Means of restricting the quantity of imports through import licenses, either of a certain item or from a certain country. See also import restrictions.

## Import License

### Definition

Permit that allows an importer to bring in a specified quantity of certain goods during a specified period (usually one year). Import licenses are employed (1) as means of restricting outflow of foreign currency to improve a country's balance of payments position; (2) to control

entry of dangerous items such as explosives, firearms, and certain substances; or (3) to protect the domestic [industry](#) from foreign competition. See also import restrictions

## Import Duty

### Definition

a tax on goods imported into a country

## Import

### Definition

To have a [product](#) shipped into a country or region. **opposite of** export.

## Import Ban

### Definition

a government order forbidding imports of a particular kind or from a particular country

*Example* The government has imposed an import ban on arms.

## Import Restrictions

### Definition

Methods employed in controlling the volume or value of goods coming into a country, usually to maintain the [exchange](#) rate of the country's currency. Also called import controls, the primary import restrictions are: (1) Tariffs (import duties) or taxes levied on the imported goods to make them costlier, (2) Import licenses or import quotas that limit the total quantity of goods imported, or imported from a certain country, (3) Currency restrictions that limit the amount of foreign exchange available for payment of imports, and (4) Prohibition that prevents entry of illegal or harmful items. The last three are collectively known as non-tariff barriers.

## Import Substitution

### Definition

A [method](#) employed by a government to stimulate the economy by substituting domestic products for similar imported products. Import substitution may be encouraged through publicity campaigns, such as the "Buy American" campaign launched to decrease trade deficits in the United States, or enforced by means of tariffs and other trade barriers.

## Import Penetration

## Definition

A measure of the importance of imports in the domestic economy, either by sector or overall, usually defined as the value of imports divided by the value of apparent consumption.

## Import Credit

### Definition

[Loan](#) facility extended by a bank in the buyer's country.

## Import Relief

### Definition

Specific measures which are imposed by a government when the desire is to temporarily suspend or restrict the importation of products in order to protect its domestic manufacturers from competition. These import relief measures are commonly in the form of subsidies, worker educational assistance, low interest loans and tax relief to manufacturers.

## Import Ratio

### Definition

The ratio of a country's imports to its foreign exchange reserves (the foreign currency deposits held in the country's central banks). The term may also refer to the ratio of a country's imports to its gross domestic product.

## Inquiry

### Definition

Preliminary response from prospective customers, generally following an [advertisement](#) or sales promotion campaign. Number of inquiries (and their conversion into sales [revenue](#)) is a measure of the effectiveness of a firm's [marketing](#) efforts. Also spelled as enquiry.

## Offer

### Definitions (2)

1. Voluntary but conditional promise submitted by a buyer or seller (offeror) to another (offeree) for acceptance, and which becomes legally enforceable if accepted by the offeree. An offer (unlike a solicitation) is a clear indication of the offeror's willingness to enter into an agreement under specified terms, and is made in a manner that a reasonable person would

understand its acceptance will result in a binding contract. Offers normally include a closing date, otherwise a period of 30 days after the date of offer is commonly assumed. See also bid and proposal.

2. Terms and conditions under which an offer is made, such as quantity, price, discounts, delivery date, shipping costs, etc.

## Counter - Offer

### Definition

Offer given in response to an offer. It implies rejection of the original offer and puts the ball back in the court of the original offerer who has three options: to (1) accept it, expressly (by replying) or by implication (by not replying), (2) issue another (counter-counter) offer, or (3) reject it expressly. No binding contract can be created until one party accepts the other's offer. Counter offers come in many guises; a seller's acknowledgment (with estimated delivery dates) of a purchase order may, in fact, constitute a counter-offer.

## Acceptance

### Definitions (5)

1. Agreements: Granting of an unqualified consent (whether express or implied) to the terms of a contract by the involved parties. When an offer is received, it is either accepted or countered (with a counter offer). A counter offer obligates the other party to accept it or respond with its own counter offer. Accepting an offer (or a counter offer) creates a binding contract. Sometimes, the term 'subject to contract' is used in offers or acceptances to indicate that the parties intend to be bound only under a formal contract when it is prepared and signed (executed).

2. Commerce: Buyer's approval of the goods supplied at their invoiced price, signified by the act of taking delivery, and/or use, of the goods without protest.

3. Documentary credit: Creation of an unconditional and binding promise to pay a bill of exchange, by signing it under the word 'accepted.' Generally, anyone who signs a bill of exchange on which the accepting firm's name is not mentioned in legible characters, is held personally liable for the amount of the bill if it remains unpaid. See also general acceptance and qualified acceptance.

4. Legal: Execution of an official document by an authorized agent or representative of the government.

5. Shipping: Acknowledgment by a consignee of the receipt of a consignment, thus terminating the contract of carriage.





## Sea Freight Container Dimensions





<b>20' GENERAL PURPOSE</b>		<b>20' x 8' x 8'6"</b>
		mm
Internal Dimensions	length	5,898
	width	2,352
	height	2,391
		mm
Door Opening	width	2,340
	height	2,280
		kg
Weight	max gross	24,000
	tare	2,280
	max payload	21,720
		cube metres
Internal Capacity		33.2

<b>40' GENERAL PURPOSE</b>		<b>40' x 8' x 8'6"</b>
		mm
Internal Dimensions	length	12,040
	width	2,353
	height	2,383
		mm
Door Opening	width	2,340
	height	2,280
		kg
Weight	max gross	30,480
	tare	3,830
	max payload	26,650
		cube metres
Internal Capacity		67.7



<b>40' HIGH CUBE</b>		<b>40' x 8' x 9'6"</b>	
		mm	
Internal Dimensions	length	12,031	
	width	2,352	
	height	2,698	
		mm	
Door Opening	width	2,340	
	height	2,585	
		kg	
Weight	max gross	30,480	
	tare	3,980	
	max payload	26,500	
		cube metres	
Internal Capacity	76.3		



<b>20' REFRIGERATED</b>		<b>20' x 8' x 8'6"</b>		
		mm		
Internal Dimensions	length	5,455		
	width	2,294		
	height	nominal	2,288	
		usable	2,188	
		mm		
Door Opening	width	2,268		
	height	2,215		
		kg		
	max gross	24,000		

"How to Clear Customs while Importing" by Richard Tong

Weight	tare	2,950
	max payload	21,050
cube metres		
Internal Capacity	Nominal	28.6
	Usable	27.4

**40' REFRIGERATED**

**40' x 8' x 8'6"**

mm			
Internal Dimensions	length	11,587	
	width	2,259	
	height	nominal	2,219
		usable	2,119
mm			
Door Opening	width	2,283	
	height	2,177	
kg			
Weight	max gross	32,000	
	tare	4,350	
	max payload	27,650	
cube metres			
Internal Capacity	Nominal	58.1	
	Usable	55.5	



**20' OPEN TOP**

**20' x 8' x 8'6"**

mm		
Internal Dimensions	length	5,902
	width	2,240
	height	2,352
mm		
Door Opening	width	2,335
	height	2,440
kg		

"How to Clear Customs while Importing" by Richard Tong

Weight	max gross	24,000
	tare	2,440
	max payload	21,560
Internal Capacity		cube metres
		32

**40' OPEN TOP**

**40' x 8' x 8'6"**

Internal Dimensions		mm
	length	12,021
	width	2,350
Door Opening	height	2,330
		mm
	width	2,338
Weight	height	2,234
		kg
	max gross	36,000
Internal Capacity	tare	4,430
	max payload	31,570
		cube metres
		66.7



**20' FLAT RACK**

**20' x 8' x 8'6"**

Internal Dimensions		mm
	length	5,727
	width	2,240
Weight	height	unfolded
		2,170
		folded
Internal Capacity		kg
	max gross	30,480
	tare	2,950
Internal Capacity	max payload	27,530
		cube metres

"How to Clear Customs while Importing" by Richard Tong

Internal Capacity		27.9	
<b>40' FLAT RACK</b>		<b>40' x 8' x 8'6"</b>	
		mm	
Internal Dimensions	length	12,032	
	width	2,240	
	height	unfolded	2,034
		folded	570
		kg	
Weight	max gross	45,000	
	tare	5,530	
	max payload	39,470	
		cube metres	
Internal Capacity		54.8	