



**Australian
BORDER FORCE**

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Item 34 of Schedule 4 of the Customs Tariff Act 1995

Item 34 – Aircraft parts, materials and test equipment

Aircraft parts, materials or test equipment for use in the manufacture, repair, maintenance or modification of aircraft, except the following:

- a) Textiles and goods made from textiles
- b) Goods for use in the servicing of aircraft

Duty Rate: Free
GST: Payable
GST Exemption Code: N/A
Instrument: No
Instrument Number: N/A
Treatment Code: 734

What is Item 34?

The concession was introduced to develop and maintain the international competitiveness of Australia's aerospace industry. The Australian aerospace industry benefits from the lowering of manufacture and maintenance costs. Lower costs assist the industry's cost competitiveness in a highly competitive international aerospace environment.

Goods imported under Item 34 must be imported with the sole intention of manufacturing, repairing, maintaining or modifying aircraft. Item 34 provides a free duty rate for imported eligible goods. Aircraft parts or materials must be consumed into the whole of the aircraft during the act of manufacture, repair, maintenance or modification.

For an aircraft part to qualify as eligible under Item 34, it must be specialised for aircraft use and be installed into an aircraft after importation. Similarly, materials imported under Item 34, must meet the standards of the industry for their intended purpose and be subsumed into the aircraft. The Civil Aviation Safety Regulations (CASR) Parts 21 or 90 or the equivalent military Defence Aviation Safety Regulations (DASR) are a guide to

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aircraft parts and materials that may be eligible under Item 34. However CASR or DASR compliance does not guarantee Item 34 eligibility as the aircraft part or material must be unique to the manufacture, repair, maintenance or modification of aircraft. Test equipment imported under Item 34 must meet relevant standards of the industry.

The [Guidelines to Schedule 4](#) provide information regarding the background and eligibility requirements for the application of Item 34.

What are the meanings of the terms?

Table 1 Definitions of key terms

Term	To qualify
For use in	<p>An end-use test applies to all goods imported under this item. There must be a genuine intention, at the time of import that any “aircraft parts”, “materials” or “test equipment” will be “for use in the manufacture, repair, maintenance, or modification of aircraft”. That must be the sole intended use at the time of import for any eligible items.</p> <ol style="list-style-type: none"> 1. Importers seeking to use this item need to be able to demonstrate both the intent to use the goods for an eligible activity on an aircraft and the suitability of the goods for such a use at the time of import. 2. Documentation of the end-use of any goods imported under this item is required for verification of correct usage.
Aircraft Parts	<ol style="list-style-type: none"> 1. Be specialised for aircraft use, so that they are identifiable as “aircraft parts” rather than being a part which has other uses; and 2. Will be installed into an aircraft after importation so that it forms part of the complete aircraft, rather than being readily or easily removable. <p>Parts such as bolts and screws that may be used in the manufacture, repair, maintenance and modification of aircraft can also be used for many other applications. Any such parts of general use will not be considered “aircraft parts”, and therefore not eligible for the concession.</p> <p>Similarly, parts which are readily and easily removed or installed, such as removable pieces of furniture, or stand-alone tablets used for entertainment purposes, are not “aircraft parts”.</p>
Materials	<p>The definition of materials applies to substances and other materials which are used to make other things: for example, paint, glue, plastic polymers, carbon fibres, or metal sheets on the condition that at the time of import they will be genuinely used for the use in the manufacture, repair, maintenance or modification of aircraft. The definition of materials does not extend to fully formed items such as Aircraft Parts.</p>

Term	To qualify
Test Equipment	<p>Instruments, apparatus or equipment used to test the aircraft or components of the aircraft must have a diagnostic capability to be considered test equipment.</p> <ol style="list-style-type: none"> 1. If any test equipment at the time of importation is intended to be used to test aircraft during manufacture, as well as to test any non-aircraft item, then the test equipment is ineligible for Item 34. 2. Goods that only facilitate testing are not considered to be testing equipment, such as power sources or hand tools.
Servicing	<p>Servicing is the process of preparing an aircraft for a flight, including the provision of consumables such as fuel, food and beverages and other items of convenience intended to be used by persons in the course of a flight such as toiletries.</p> <p>Therefore, consumables used for the service or comfort of persons in the course of a flight do not qualify for the concession.</p>

Examples

Term	Eligible	Ineligible
Galley Equipment	<p>Eligible galley equipment must satisfy all of the following;</p> <ol style="list-style-type: none"> 1. Built into an aircraft 2. Specialised for use on an aircraft 3. Used only on an aircraft <p>Examples of this are aircraft specific ovens and aircraft specific coffee/tea makers.</p>	<p>Galley equipment that is readily removable and not part of the aircraft, such as the trolleys and trays used to serve food and drink, are not “aircraft parts” even though they may be specialised for use on an aircraft.</p> <p>Furthermore, any galley equipment that is not specialised for use on aircraft, such as standard microwave ovens or coffee makers, are not “aircraft parts” and therefore are ineligible even if they will be installed as fixtures of the aircraft.</p>

The following examples are an extension to what is listed in the guidelines, with the below lists not being exhaustive.

What are examples of goods that are <u>eligible</u> ?
Engines, engine parts, motors, generators, landing gear and aircraft tyres
Aircraft specific in-flight entertainment systems, speakers/sound systems, and seat trays that are installed into the aircraft structurally i.e. not readily removable
Parts and materials used in the manufacture of an aircraft including sheets of plastic, wood, glass, tubes, hoses and pipes
Aircraft seats, seat belts, standard lavatories (either vacuum systems including holding tank or recirculating chemical systems), wall panels, overhead stowage bins, ceiling panels and associated lighting, air conditioning systems and vents and integrated fire extinguishers

What are examples of goods that are <u>eligible</u> ?
Test equipment such as wing flex test equipment, acceleration test equipment and altitude test equipment
Aircraft specific ovens, food warmers, fridges, tea/coffee makers and storage water heaters that are installed into the aircraft structurally i.e. not readily removable
Paint, primer, coatings, resins, adhesive and tape to be used solely on an aircraft

What are examples of goods that are <u>ineligible</u> ?
General purpose ovens, food warmers, fridges, tea/coffee makers and storage water heaters
Stand-alone or readily removable in-flight entertainment and audio systems such as tablets, portable speakers, headsets, ear phones and stand-alone passenger operated remote control units
Safes, furniture, blinds, doors, signs, mountings and fixtures such as brackets, door closers and hooks
Trolleys and other stand-alone galley equipment or items
Portable safety and navigation items such as hand held navigation aids, portable fire extinguishers,
Life rafts and life jackets
Stand-alone equipment that assists ground crew to access the aircraft for testing and maintenance, such as jacks, hoists to lift and lower engines and scaffolding for ground crew access
Tools, including specialist hand tools, such as spanners, wrenches, drills and screwdrivers
Items of cutlery, plates, bowls etc. of any material, other tableware or kitchenware
Soap, toilet paper and other toiletries
Textiles such as carpets, seat coverings, beds, clothing, pillows, blankets, and goods identified as made up textile articles such as webbing straps and rescue straps. Noting chairs may be ineligible if predominately made from textiles.
Refuelling equipment

Relevant legislation

Full details relating to Concessional Item 34 can be found in [Schedule 4 of the Customs Tariff Act 1995](#).

For more information

For more information, please refer to the Department of Immigration and Border Protection's website at www.border.gov.au or email goodscompliance@border.gov.au.