



GST-free sales to travellers departing Australia

Retailers guide on selling goods to travellers about to depart Australia GST-free, sealed bag and ABF border clearance.

Last updated 22 April 2022

Duty-free shops can sell GST-free goods to travellers leaving Australia.

At airports, there are outbound duty-free shops on both sides of the Australian Border Force (ABF) border clearance area.

GST-free goods sold to outbound travellers must be placed in a sealed bag. You can also use the sealed bag method to sell wine without wine equalisation tax (WET).

GST-free goods sold or delivered to travellers – **after** they have passed through the ABF border clearance area don't need to be placed in a sealed bag.

Travellers departing Australia can also get a GST or WET refund under the tourist refund scheme (TRS) for some taxable goods they purchase in Australia.

Before border clearance (sealed bag method)



Rules that set out how you make a sealed bag safe.

Sealing bags and packages



How to correctly seal bags and packages.

Beyond border clearance



Tourist refund scheme



The tourist refund scheme applies to goods purchased at prices that include GST or WET.

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Before border clearance (sealed bag method)

Rules that set out how you make a sealed bag safe.

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If you sell goods to travellers before they reach the ABF border clearance area – including from a duty-free or tax-free shop not at an airport – the goods must be placed in a sealed bag.

You must follow a system that verifies that the traveller has taken the goods out of Australia as part of their accompanied baggage.

There are 12 rules that set out how you make a sealed bag sale.

1. [Confirm your customer is departing from Australia](#)
2. [Check your customer has completed a sealed bag declaration](#)
3. [Make 3 copies of the sales invoice](#)
4. [Keep your copies for verification](#)
5. [Do not give passengers goods more than 60 days before departure](#)
6. [Goods must be in a sealed package](#)
7. [Retrieve invoice before the ABF border clearance area](#)

8. [Retrieve invoice after the ABF border clearance area](#)
9. [Examine the sealed bag](#)
10. [Notify us of any sealed bag tampering or other discrepancy](#)
11. [Retrieve your invoices](#)
12. [Reconcile your invoices](#)

If you don't comply with these rules, the sale is classed as taxable. That means you must pay GST on it and account for the GST on your activity statement. Effectively, you end up paying GST on behalf of the customer.

Make sure you have procedures and records to show that you have applied the rules correctly.

If you find a mistake, you can make a voluntary disclosure by lodging a revised activity statement.

We also provide this information:

- GST-free sales to travellers departing Australia – Korean
- GST-free sales to travellers departing Australia – Chinese.

1. Confirm your customer is departing from Australia

You have to be satisfied that your customer is travelling from Australia. By law you must verify that they have taken the goods out of the country as part of their accompanied baggage.


Confirm customers are departing Australia:

- as individual travellers – look at their overseas ticket, and make sure the ticket belongs to the customer by asking for proof of identity, such as their passport
- as members of an organised tour group – must be on a tour group list
 - a list will be an approved document if it is printed on the tour organiser's letterhead (or is signed by the tour organiser, a tour employee or agent) and contains

- full name and residential address of the traveller (address is not necessary if it is recorded elsewhere – for example on the invoice)
 - passport details (that is, passport number and date of issue) of the traveller
 - tour number (if any) and name of tour organiser or operator
 - either departure details (including ticket number, name of airline or shipping line, flight or voyage number, date and port of departure), or a copy of a ticket of one of the tour group members (or, if group members are not all taking identical journeys, a copy of a ticket for each type of journey)
- as Australian Defence Force personnel – must show their personal identity documents and authorised travel or movement orders issued by the relevant service
 - as aircraft and ship's crew – flight or ship's crew identification, and a departure flight or voyage timetable (if available)
 - on private flights or voyages – a letter signed by the pilot or captain, setting out the name, address and passport details of the passengers to be carried, as well as the details of the flight or voyage concerned; a copy of an authorised government transport clearance document or permit for the pilot or captain to depart on that journey to a foreign country.

2. Check your customer has completed a sealed bag declaration

All travellers must sign a declaration for their purchases.

Your customer must complete a [Duty/Goods and Services Tax \(GST\) Free – Sealed Bag Declaration](#)  (SB declaration). This declaration contains details of the:

- purchase
- intended journey
- purchaser's agreement to comply with the docket collection system.

You may retain the SB declaration on its own or combine it with the traveller's declaration with a sales invoice.

Before taking possession of the goods, the purchaser must sign and retain a copy of a SB declaration setting out, in the approved form, all of the following:

- details of the purchaser, and the goods purchased, and the proposed journey
- if the following matters are true, a statement that the purchaser
 - intends departing Australia with the goods within 60 days of taking possession
 - will not interfere with the goods, the sealed package containing the goods or the copies of the invoice relating to the goods before submitting the sealed package to the seller in accordance with [Rule 7](#) or [Rule 8](#) (whichever applies)
 - will, in accordance with [Rule 7](#) or [Rule 8](#), submit the sealed package to the seller for removal of the border clearance copy of the invoice
 - is aware of the penalty for making a false or misleading statement
- any other information or statement required by the approved form.

Find out how this applies to [Advance purchases](#).

3. Make 3 copies of the sales invoice

You have to issue an invoice in triplicate and in such a way that it cannot be altered.

The 3 copies you create are:

1. the customer's copy
2. a copy that is attached to the outside of the package (the border clearance copy)
3. your retail copy.

The invoice must:

- be made at the time of the sale
- be in an approved form

- be in triplicate
- contain
 - a description sufficient to identify the goods (including brand name and model number, if any)
 - quantity (in figures) of each item
 - sale value (in figures) of each item, or quantity of items
 - the total number of items in the package (to be expressed in words)
 - the total sales value (in figures) of the invoice
 - the date
 - name of seller
 - address of recipient
 - ABN of seller
- prevent the addition of further items to the invoice (or copies) after the transaction has been completed
 - for example, the invoice may be ruled off manually or electronically immediately below the last sale item
- have a unique number that is one of a series of sequentially numbered invoices (if possible, all invoices in the series relate only to sealed bag sales from that seller).

4. Keep your copies for verification

You must keep both:

- their signed SB declaration
- your copy of the invoice.

It is also a good idea to keep a copy of the customer's proof of identity such as their ticket and passport.

5. Do not give passengers goods more than 60 days before departure

You must not give the goods to the purchaser earlier than 60 days before the departure date on their ticket.

Travellers can purchase goods more than 60 days before they leave, but the goods must be left at the store and cannot be collected any earlier than 60 days before the traveller leaves.

Keep a record of the date that your customer can collect the goods.

Example

A purchase may be made up to 90 days before departure, but the traveller is not allowed to collect the goods more than 60 days before departure. In these cases, the date of collection of the goods (which will be different from the invoice date) will either be recorded on:

- the original declaration retained in the store
- a collection docket or receipt to be stored with the original declaration.

6. Goods must be in a sealed package

The customer can only take the goods once they are in a sealed package. You can also find information on [sealing bags and packages](#).

The sealed package must:

- be (preferably) of transparent material
 - however non-transparent printing, for example the store's name and logo, may be printed on the package
- be securely sealed
 - so the goods cannot be removed from the package without the seal being broken using
 - plastic adhesive tape, staples, a heat-sealing machine or other appropriate sealing apparatus
 - using tamper proof seals (or sealing tape) on all joins and opening points (so access to the contents of the package impossible without the seals being broken) – tamper proof seals

(or sealing tape) must bear one of the following phrases (or similar)

- 'GST-free goods – to be exported – do not break this seal before export'
 - 'Goods under ABF control'
- have a border clearance copy of the invoice in a transparent waterproof envelope attached to the outside of the package
- have the customer copy of the invoice inside the package by a method that, if possible, enables the invoice to be read without the need to break the seal of the package (if the package is small enough to be carried in the cabin of an aircraft)
 - if the package too large to be carried in the cabin of an aircraft, or is to be carried on a ship, a large sticker notice must be placed on the outside of the package, bearing the words 'Goods to be carried in the hold of an aircraft or on board a ship' (or similar words)
- have a [printed warning](#) attached
 - warnings may be on self-adhesive labels that can be attached to packages.

7. Retrieve invoice before the Australian Border Force (ABF) border clearance area

If the bag or package is to be stored in the aircraft hold, before going through the ABF border clearance area the purchaser can give the package to the airline operator, who retrieves sales invoices on behalf of the docket collection agency – Duty Free Security.

Duty Free Security:

- operates on behalf of retailers at airports and seaports beyond the ABF border clearance area at airports and seaports
- retrieves sales invoices and verifies that the goods have been taken out of Australia
- collects invoices 24 hours a day, 7 days a week at all major international airports in Australia.

Contact them to get details of their service and fees, as well as information about retrieving invoices from travellers embarking on ships.

If the goods are carried on a ship, the purchaser or their representative collects the invoice. As the invoice is collected, staff will also check the package to ensure it has not been tampered with. If the package is not sealed or has been tampered with, the staff member must notify us.

If, before the purchaser presents themselves to the ABF as departing Australia, they surrender the sealed package to the carrier with whom they are to travel, the seller must retrieve the border clearance copy of the invoice at the point of surrender of the package.

It is desirable that purchasers present the packages in full view of either:

- hold luggage check-in staff of the airline
- the purser or their representative on a ship.

8. Retrieve invoice after the ABF border clearance area

Travellers must carry their packages in full view so staff can see when an invoice needs to be detached.

After passing the ABF border clearance area at the airport, the traveller presents the sealed bag or package to Duty Free Security staff who will check the package to ensure it has not been tampered with, then detach the sales invoice from the outside of the sealed bag ([Rule 6](#)).

9. Examine the sealed bag

Before the border clearance copy of the invoice is retrieved, you or your agent must examine the sealed package to check that it remains sealed and has not been tampered with.

10. Notify us of any sealed bag tampering or other discrepancy

You or your agent must notify us if you become aware that the package has been tampered with or is no longer sealed or the goods enclosed in the package are not the goods described on the customer copy or the border clearance copy of the invoice.

Procedure for notification

If Duty Free Security staff, or any other agency collecting an invoice, detects any tampering or discrepancies, they must request the traveller to sign a statement, addressed to us, confirming:

- the full name, residential address and telephone number of the traveller
- whether the
 - seal on the package was broken or the package was tampered with by the traveller, or
 - goods in the package were not the goods described in the customer copy of the invoice.

The agency must ensure that a copy of the [SB declaration](#) (showing the same signature of the traveller as the signature on the tampering declaration) must be forwarded to the local branch of the ATO within 5 working days of the date on which the discrepancy was detected.

As the agency is agent for the seller, it is desirable that the agency also informs the seller of any tampering or discrepancies.

11. Retrieve your invoices

You must validate the retrieved border clearance copy of an invoice that your agent has removed from the goods that are being exported.

The seller must validate a retrieved border clearance copy of an invoice:

- as soon as possible
- by the approved method.

Approved method of validating invoices

When a border clearance copy of an invoice is collected by the docket collection agency (the agency), it will be validated when the following requirements are satisfied:

- the agency makes an electronic record of the identifying numbers of the retrieved border clearance copy of the invoice within 10 working days of the actual day of departure of the traveller on a flight or voyage that departed from Australia
 - It is important to note that the border clearance copies of invoices from packages that have been tampered with ([Rule 10](#)) are not to be included in the electronic record
- the agency produces (by the 15th day of the following month) a computer-generated document listing the invoice numbers of dockets collected in the previous month – this listing (referred to as the 'collection list') is either a
 - simple list of all invoice numbers from each seller
 - reconciliation of invoices from those sellers that provide advance notification of sales before departure of the travellers concerned.

12. Reconcile your invoices

Once Duty Free Security staff have retrieved all border clearance invoices, they validate them by making an electronic record of the identifying numbers, preparing a collection list of all invoices from each retailer, and regularly sending each retailer a computer listing.

You must reconcile the invoice numbers on the list with your copies of the invoices issued for GST-free sealed bag sales. If you have copies that do not match with an invoice on the collection list, those sales must be counted as taxable and adjustments may be required to account for the GST. That means that you have to pay the GST on those sales to us.

The seller must reconcile the retrieved border clearance copy of an invoice against the seller's copy of the invoice, by an approved method.

Approved methods of reconciling invoices

Border clearance copies of invoices will be treated as having been reconciled against the seller's copies of invoices when all of the following requirements are satisfied:

- the seller has received a collection list from the docket collection agency (the agency)

- the collection list is on the authorised letterhead of the agency, or is stamped or perforated by a unique stamping or perforating device that is approved by us, and that is permanently held at the offices of the agency
- the seller is able to match the seller's copies of invoices against the invoice number on the collection list
- if no alterations have been made to the seller's copy of the invoice since the time of the original transaction, invoices with numbers matching those on the collection list are considered to be reconciled.

Adjusting your activity statement

If you make a sealed bag sale to a traveller who does not intend leaving the country until after you have lodged your activity statement, you will have to pay GST on that sale. It will not count as a GST-free sale until Duty Free Security confirms the invoice has been retrieved.

Once the traveller has left the country and the invoice has been retrieved, you will need to make a decreasing adjustment to your activity statement for the tax period in which the invoice was retrieved.

Find out more about [Adjusting GST](#).

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Sealing bags and packages

How to correctly seal bags and packages.

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You must not give goods to a purchaser unless the [goods are in a sealed bag or package](#).

The bag must be sealed in such a way that the goods cannot be removed from the package without the seal being broken.

Sealed bag and package warning

Each sealed bag and package must have the following warning placed on it.

Warning

- You must take this sealed bag or package with you when you leave Australia. Do not leave it at home or give it to anyone else.
- You must carry this bag or package by hand in full view at the airport or seaport. It must not be packed in a suitcase or in hand luggage.
- Ensure that authorised collection officers collect the invoice attached to the bag or package after you have passed through the ABF border clearance area.
- This bag or package must not be tampered with or opened. It must remain sealed until the invoice has been collected.
- If you do not take the goods out of Australia within 60 days of obtaining them, you must immediately return the sealed bag or package containing the unused goods to the store where you purchased them.

If you fail to observe these rules, you may be liable to a penalty.

Creating a sealed bag

To create a sealed bag, use the following steps.

1. Place the customer's copy of the sales invoice inside the bag to be sealed so the details are visible (that is, facing outward and visible through the clear side of the bag).
2. Using staples, a heat-sealing machine or other sealing device, place as many non-removable seals as necessary to cover the top opening of the bag.
3. Make sure at least one non-removable seal covers access through the handle.
4. Place the border clearance copy of the sales invoice in a waterproof plastic envelope.
5. Staple this envelope to the sealed point of the carry bag (do not staple through the invoice).
6. Attach the printed [warning](#) to the package.

Creating a sealed package

To create a sealed package:

1. choose a box that has a hinge or lid at one end
2. close the lid and seal it
3. use three non-removable seals over opening points at lid (use more if necessary)
4. place at least three non-removable seals over corresponding opening points at the other end of the box
5. put more non-removable seals around the edges of the lid
6. place the border clearance copy of the sales invoice in a waterproof plastic envelope and attach it securely on the outside
7. attach the printed [warning](#) to the package.

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Beyond border clearance

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Beyond border clearance rules

GST-free sales can also be made if travellers collect their purchases after they have passed through the ABF border clearance area, or if you deliver the goods to the traveller on the other side of the ABF border clearance area. These sales do not need to be in sealed bags and they do not need export verification.

However, your retail outlet must be located beyond the ABF border clearance area at the airport, or you must have the agreement of the airport or ship operator to make such deliveries.

If your customer is travelling by sea, you must deliver the goods to the ship's purser or their representative – they will pass the goods to the traveller after they have boarded.

It is your responsibility to make arrangements with airport owners and ship operators to deliver and collect the goods.

If you plan to deliver the goods to your customer after they have passed through the ABF border clearance area, much of the procedure is the same as for sales [before the ABF area](#), but you do not need to put the goods in a sealed bag.

If you don't comply with these rules, the sale is classified as taxable. That means you must pay GST on it and account for the GST on your activity statement – effectively, you end up paying GST on behalf of the customer.

Sales

Where the retail outlet is located beyond the ABF border clearance area at the airport, before the purchaser takes possession of the goods you must sight their boarding pass or ticket for travel to a foreign country or an [approved document](#).

Deliveries

Border clearance declaration

If you are going to deliver goods to your customer after they have crossed the ABF border clearance area, get them to sign an ABF border clearance declaration as you make the sale. This states that the purchase will not be taken until they are beyond the ABF border clearance area.

You can design your own ABF border clearance declaration, but it must include the following statements:

- I have purchased the goods on the Australian side of the ABF border clearance area and I will not take possession of the goods until I have passed through the ABF border clearance area
- I am aware that the *Taxation Administration Act 1953* provides for penalties where a person makes a false or misleading statement in this declaration, and that the *Customs Act 1901* and the *Excise Act 1901* may provide penalties if the goods are not exported.

The declaration must also include details of the customer, the goods purchased and the journey.

Alternatively, sometimes the traveller will pay for the goods on the Australian side of the ABF border clearance area but will not collect the goods until beyond the border clearance area (referred to as 'onshore purchase/offshore collection' situations). For example, where goods are purchased onshore and delivered to a ship for collection by a sea passenger.

The traveller will be required to show the same documents as are listed in [Rule 2](#). The seller must sight such documents at the time of the onshore purchase.

Making an invoice

If you are delivering the goods past the ABF border clearance area, you must generate an invoice in duplicate and in such a way that it cannot be altered.

The 2 copies are:

- the customer's copy
- your copy.

Approved form of invoice

The seller must make an invoice or receipt:

- at the time of the sale
- in an approved form
- in English
- in duplicate
- containing a full description of the goods.

Each invoice must be prepared to prevent the addition of further items to the invoice (or copies) after the transaction has been completed.

For example, the invoice may be ruled off manually or electronically immediately below the last item. This requirement does not apply if you are issuing a receipt beyond the ABF border clearance area.

The invoice must be written in English and contain the following information:

- a description sufficient to identify the goods (including brand name and model number, if any)

- quantity (in figures) of each item
- sale value (in figures) of each item, or quantity of items
- the total sales value (in figures) of the invoice
- date
- name of supplier
- name of recipient
- ABN of supplier.

Evidence that goods were collected

Keep your copy of the invoice and a copy of the signed declaration together with evidence that the goods were collected beyond the ABF border clearance area. This evidence must be an approved document.

Approved documents: evidence of collection of goods

If the goods are delivered to a ship, a copy of a manifest list, signed and stamped by the ship's purser (or other authorised ship's officer) will be required, containing the following details:

- purchaser's name (whether a passenger or ship's crew member)
- description of the goods, or the numbers of the invoices relating to the goods concerned
- the number of packages (either boxes or bags) per purchaser
- name of the ship and shipping line
- journey details (that is, wharf number, date and time of departure).

If the purchaser collects the goods in any other place beyond the ABF border clearance area (for example, at an airport), a receipt must be signed by the purchaser as evidence of collection.

The receipt should contain the following information:

- the invoice number relating to the purchase of the goods to be exported
- date and time of collection of the goods
- purchaser's name, residential address and telephone number

- brief voyage details (that is, flight number/voyage number).

There's also information about [Before border clearance \(sealed bag method\)](#).

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Tourist refund scheme

The tourist refund scheme applies to goods purchased at prices that include GST or WET.

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Travellers departing Australia can get a GST or WET refund under the tourist refund scheme (TRS), administered by the Department of Home Affairs and its operational arm the Australian Border Force (ABF).

The scheme applies to goods purchased at prices that include GST or WET, from a retailer with an ABN and registered for GST.

It does not apply to services such as accommodation. GST-free goods cannot get a refund under the scheme, as no GST has been paid.

Crew members of an aircraft or ship are not eligible to claim refunds under the scheme.

A traveller may claim a refund under the TRS if the purchases meet the following requirements.


- The purchases are from a single business with the same Australian business number (ABN) and total AUD\$300 (GST inclusive) or more. For example, if you bought items from one business, even on separate invoices, that together total AUD\$300 the goods were purchased within 60 days of departure from Australia.
- The traveller has original tax invoice/s for the goods.
- The travelling passenger paid for the goods.
- Carry or wear the goods on board the aircraft or ship as cabin baggage unless they are oversized or subject to aviation security measures and the airline requires them to be checked in as hold luggage.

- Present their tax invoices (in English), goods, passport and boarding pass to the TRS facility when departing Australia.
- Make the claim at the TRS facility at an airport at least 30 minutes prior to the scheduled departure time or 60 minutes if travelling on a cruise.

Residents of Australia's external territories, such as Norfolk Island, Christmas Island and the Cocos (Keeling) Islands, can also get a GST refund if they export the goods to their home territory as accompanied or unaccompanied baggage or as cargo.


Travellers bringing goods back into Australia for which they have already claimed a TRS refund

You must declare any goods you bring back to Australia, for which a TRS claim was made by you or another person when the goods left Australia. You can do this by declaring the goods at question 3 on your incoming passenger card when you return to Australia.

Unless another concession applies, for example concessions on personal clothing (excluding furs), you may need to pay GST on goods you bring back into Australia. This happens when the value of those goods, combined with any other goods you import for which another concession doesn't apply, exceeds the [passenger concession allowance](#) .

Penalties may apply if you fail to declare these items.

What retailers are required to do

When a customer requests a full refund you should check their invoice to determine if they have already claimed under the [Tourist refund scheme](#) . If a claim has been approved the invoice will contain a stamp from the ABF.

Customers applying for a refund when they have already obtained a TRS refund are not entitled to receive a refund for the GST/WET portion of the invoice.

To obtain a full refund, a customer must provide proof that the GST/WET has been repaid when they declared the goods on their

return to Australia.

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Our commitment to you

We are committed to providing you with accurate, consistent and clear information to help you understand your rights and entitlements and meet your obligations.

If you follow our information and it turns out to be incorrect, or it is misleading and you make a mistake as a result, we will take that into account when determining what action, if any, we should take.

Some of the information on this website applies to a specific financial year. This is clearly marked. Make sure you have the information for the right year before making decisions based on that information.

If you feel that our information does not fully cover your circumstances, or you are unsure how it applies to you, contact us or seek professional advice.

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