



Tasmanian Freight Equalisation Scheme Information Paper

This information paper is made under subclause 8.3.1 of the Ministerial Directions for the Tasmanian Freight Equalisation Scheme (TFES).

Incurred and paid the cost of shipping

To be eligible for TFES assistance, you must have ultimately incurred and paid the cost of shipping. Other eligibility criteria also apply.

Examples where you have incurred and paid the cost of shipping

You can incur and pay the cost of shipping if:

1. you use a freight broker, freight forwarder or freight logistics business to arrange shipping even if you do not directly deal with a shipping company;
2. for the purposes of transshipment, you have an arrangement with a buyer, who is not a resident of Australia for the purposes of the Income Tax Assessment Act 1936, for them to pay the shipping costs; or
3. you use a claims agent to organise and pay for the shipping on your behalf.

Where the claims agent has paid the shipping costs on your behalf, the claims agent can only claim for assistance after you have paid the cost of shipping.

If you are claiming TFES under point 2, as the seller of transhipped goods, where the overseas buyer has paid the Bass Strait shipping costs you will need to provide additional written evidence, such as a letter signed by both parties indicating that you, as the seller, will be eligible to receive TFES assistance.

Examples where you have NOT incurred and paid the cost of shipping

You have NOT incurred and paid the cost of shipping if you influence or may influence the price for shipping the goods. Examples include:

- you have incurred the cost when providing a commercial service to a client for shipping, arranging shipping, advising on shipping or advising on TFES; or
- you set or may have set the price of shipping the goods; or
- you are involved in a non-arms-length commercial arrangement with a person who set or may have set the price of shipping the goods.

For further information, please see Clause 2.2 of the TFES Ministerial Directions