

Submission in regards to the Low Value Tax Legislation 2017

This submission is in regards to the recently passed legislation in the Australian Parliament for the Low Value Tax and the GST collection models.

Firstly, I would like to address the Commission's request for information in regards to consumer health, welfare, and the likelihood of consumers choosing between bricks and mortar and online, for niche markets.

I have doubts about consumer welfare; I would like to point out from my own personal point of view in the following below:

I collect anime figures from Japan. At the time when I first started this hobby over 10 years ago there were almost no local retailers for these lines of goods; and I would like to point out that has not changed much since then. There are some now, but this is still regarded as a niche market. Here is one such example that I have been seeking lately:

<http://www.anime-oz.com/anime-merchandise/the-idolm-ster/17-ranko-kanzaki-dark-princess.html>

= AUD\$519.95 including GST, as this site seems to be an Australian vendor.

Compare the same item at the following online sites:

https://www.amazon.co.jp/gp/offer-listing/B06Y41CFZ2/ref=dp_olp_new?ie=UTF8&condition=new

= 23,780 JPY which is AUD\$273.95

<http://www.amiami.com/top/detail/detail?scode=FIGURE-029344&page> = 23,040 JPY which is around AUD\$265.42

<https://www.1999.co.jp/eng/10459963> = 23,064 JPY which is AUD\$265.70

I will factor in shipping from Japan, as these are all Japanese sites at around 8,000 JPY (around \$92.16) as while not yet released, this seems to be a very sizeable figure which is at least 28cm tall out of box. This price is for EMS which is from Japan Post, which ultimately gets delivered to me here by Australia Post.

Even with the added impost of secure, insured shipping, even adding 10% GST **still** puts me well under the quoted Australian price **by at least AUD\$100.00**. Due to these differences I do not believe that the legislated model will provide any sense of consumer health and well being, in fact, with this magnitude of price difference, it is intended to worsen it in favour of the local retailer by a worryingly large amount. As this is a rather niche market I am participating in, I call on the Commission to consider consumer welfare due to the extreme price difference even with all the added shipping and proposed GST imposts added in. In the terms of niche markets such as mine, with the example provided previously, I do not envision any change that would alter consumers' habits to move over to local bricks and mortars shops and would like to call on the Commission to ensure that such a grossly high price differential does not become legally mandated in the name of "levelling the playing field".

I will re-illustrate this point with a second figure example, this time with an already released example:

<http://www.anime-oz.com/anime-merchandise/the-idolm-ster/18-ami-and-mami-futami.html>

= AUD\$299.95, including GST

Compare this item with the same one provided by overseas sites:

https://www.amazon.co.jp/gp/product/B01H382PBS/ref=od_aui_detailpages00?ie=UTF8&psc=1

= 14,480 JPY which is around AUD\$166.81. I paid \$AUD40.67 for shipping via DHL, which is insured and extremely swift delivery (48 hour turnaround time). This still puts me at least AUD\$70.00 well off even with GST impost.