

GUIDE TO SCHEDULE 4

EXPORT EXPENSES – FREE SAMPLES

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GUIDE TO WHAT YOU CAN CLAIM

A free sample is an exact specimen of your product that is given away to someone without receipt of any commission, money or reimbursement.

Expenses under the free sample category are capped at A\$15,000 per application. However, to ensure you receive maximum benefit from this category, you should list all the eligible expenses.

What you can claim depends on the type of sample you give away.

Free samples (other than free tourism samples)

You may claim all reasonable expenses incurred to provide a free sample outside Australia to a non-Australian resident, including:

- directly attributable costs of manufacturing or production, such as an appropriate portion of factory overheads and in-house labour
- Delivery costs to the recipient, such as postage and freight.

Free tourism samples

If you are an inbound Tour Operator who buys tourism amenities from other Australian tourism providers, you may claim the cost you paid for the amenity.

Where you provide a free sample of your own tourist amenity you may claim either:

- i. For restaurant (food and beverage samples) – 50 per cent of the retail rate; for other samples – 20 per cent of the retail rate.

OR

- ii. Directly attributable costs providing the sample:
 - a. Cost of labour
 - b. Cost of utilities (apportioned appropriately).

For any free sample, you **cannot** claim the cost of:

- administration of selling overheads
- profit margins
- demonstration equipment
- prototypes, product modification or development



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- samples given away for a discount or price adjustment
- Samples that are not actual samples of the promoted product.

You may be asked for evidence of how you calculated the cost of your free sample.

GUIDE TO WHAT YOU NEED TO PROVIDE ON THE SCHEDULE

Describe samples provided

Give details of what you gave away, such as:

- product samples – given away at international trade show
- Accommodation sample – give to travel agency who sells honeymoon tours to Australia.

Date despatched or provided

Expenses are only claimable for samples given away during the grant year (or for first-time applicants, the grant year and the previous year).

Method of Despatch

State how the samples were provided or sent overseas.

Receiver's name

State the name of who received the samples.

Country

State the country that you sent the free samples to.

Supporting evidence

Detail the evidence you have to substantiate the expense claimed:

- Factory cost – costing records
- Freight cost – freight documents
- Other costs – invoices
- Evidence to show that stock claimed as free samples has been provided for eligible purposes
- Evidence that no consideration has been received or is receivable in respect of any part of the stock (for example: no-charge invoices).

Cost of the samples (whole Australian dollars)

State the cost of providing the sample that you want to claim.

Freight Costs (whole Australian dollars only)

State the freight cost you want to claim (if any), such as freight, postage and excess baggage.

Total amount claimed

This field will automatically update on the template and online schedule when you complete the Cost of samples and the freight costs columns.