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Excise on tobacco

Your excise obligations for tobacco that is produced, moved, stored or manufactured in Australia.

How excise applies to tobacco

An overview of how excise works if you grow, produce, deal in, move, store or manufacture tobacco or products.

Tobacco licence processes and obligations

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Permissions to move tobacco seed, plant or leaf

How to apply for permission to move or export tobacco seed, plant and leaf.

Excise duty rates for tobacco

Find the current excise duty rates for tobacco manufactured or imported into Australia.

How excise applies to tobacco

An overview of how excise works if you grow, produce, deal in, move, store or manufacture tobacco or products.

Last updated 2 March 2023

Producing or dealing in tobacco

Tobacco seed, plant and leaf are **not** excisable goods. However, you need an excise tobacco licence from us to produce (grow) or deal in tobacco. This applies even if you intend to use them for personal use. You also need our permission to move tobacco.

Growing tobacco

Currently, no one is licensed to grow tobacco seed, plant or leaf for commercial sale or personal use. These licences are:

- subject to strict criteria and conditions
- rarely granted.

Manufacturing tobacco goods

Cigarettes, cigars and loose tobacco are excisable tobacco goods (and subject to excise duty).

Currently there's no legal tobacco manufacture occurring in Australia. To manufacture excisable tobacco, you:

- need a licence from us, even if you intend to use the tobacco for your personal use
- must lodge an excise return and pay excise duty.

Importing tobacco

If you import tobacco or tobacco products into Australia, we call them excise equivalent goods (EEGs). Instead of paying excise duty on EEGs, you generally pay an equivalent customs duty.

If you import tobacco into Australia you have to pay all customs duty and taxes to the Department of Home Affairs (Home Affairs) when the goods arrive at the Australian border. Home Affairs refers to tobacco as prohibited goods.

Snuff

The sale of snuff is banned in Australia. You can import snuff for personal use as long as you do not sell or supply it to others. Duty still applies to snuff that is entered into the Australian market.

Illicit tobacco

Engaging in the illicit tobacco trade is a serious offence.

We are part of an Illicit Tobacco Taskforce, which enhances our ability, and our partner agencies, to protect Commonwealth revenue by proactively detecting, disrupting and dismantling serious organised crime syndicates that deal in illicit tobacco.

QC 71075

Tobacco licence processes and obligations

How to apply for an excise licence or permission for tobacco and the associated obligations.

Last updated 14 December 2022

Manufacturer licence

Current situation with manufacturer licences

Currently there's no legal tobacco manufacture occurring in Australia.

Manufacturer licence process

A manufacturer licence for tobacco authorises you to:

- manufacture or produce the excisable tobacco goods specified in the licence
- store products that you will use in the manufacture or production of the excisable tobacco goods.

There are no application or renewal fees for excise duty licences. To ensure we protect excise duty revenue, we may ask you to lodge a financial security.

Contact us if you want to apply.

Licence to grow or deal in tobacco seed, plant or leaf

Current situation

Currently no-one has a licence to grow or deal in tobacco seed, plant or leaf, either for commercial sale or personal use.

Licence process

A licence to grow or deal in tobacco seed, plant or leaf is subject to strict criteria and conditions. We rarely grant them.

There are serious consequences if you don't comply with these rules and conditions.

We won't grant licences to grow tobacco for personal use.

If you apply for a licence, there are many factors we consider in assessing your application, including:

- physical security of the premises
- protection of the revenue
- whether there's a market for the goods.

Contact us if you want to apply.

Obligations

Any business, organisation or person who we approve to hold an excise licence or permission is required to meet the obligations associated with that licence or permission.

If you were granted an excise licence or permission, it would set out the obligations you need to meet, including:

- stock control – manufacturing your tobacco goods, storing and moving products that you will use in the manufacture or production of the excisable tobacco goods
- record keeping – records need to demonstrate that you have met your licence requirements
- lodging an excise return and paying duty
- advising us if your business changes or ceases.

Our Excise guidelines for the tobacco industry have more information on tobacco excise obligations.

QC 63519

Permissions to move tobacco seed, plant or leaf

How to apply for permission to move or export tobacco seed, plant and leaf.

Last updated 23 May 2023

When you need permission

Although tobacco seed, plant and leaf are not excisable, they are subject to our control. You need permission from us before you move or export tobacco seed, plant and/or leaf.

This permission includes a condition about the documentation (and required details) that you need to create to:

- comply with your record-keeping requirements
- send with the goods when you move them, for both the dispatching and receiving premises.

Conditions for moving the goods

When we grant a movement permission, we may impose conditions or ask you to lodge a financial security with us so we can protect the revenue.

In order for the goods to be moved, a movement permission must specify both the:

- goods that can be moved
- premises that the goods can be moved from and to.

For single movement permissions you must specify the:

- period or dates when the goods may be moved
- kind and quantity of the goods that can be moved.

Applying for a movement permission

You need to apply for one of the following permissions:

- non-export movement permissions
- export movement permissions.

Non-export movement permissions

If you need to move goods between excise-licensed premises, you need a non-export movement permission. There are 2 types.

Apply for a single movement permission (non-export) to make a one-off movement of specific goods from one specified place to another. The movement must occur during the period specified in the permission. You generally apply for a single movement permission when movements are not on a continuing or regular pattern to the same premises.

Apply for a continuing movement permission (non-export) to move goods of a specified type without seeking individual permission for each movement between excise-licensed premises. A continuing movement permission remains in force until we revoke it or you cancel it.

When moving goods to premises owned by another entity, you may need to check they will and are able to accept the goods.

Export movement permissions

An export movement permission (either single or continuing) allows you to move goods from excise-licensed premises to a place of export such as a wharf, airport or customs depot.

The export movement permission is **not** an authority to export. You must obtain this separately from the Department of Home Affairs. You must keep the export declaration number provided by the Australian Border Force. This will form part of your evidence that goods were moved for export.

Apply using the relevant permission form below:

- single movement permission (export)
- continuing movement permission (export)

Licence and permission information for third parties

For information about the licences and permissions held by third parties you deal with, you can contact us.

Other licences or permissions you may need

If you're in business, you may also need other licences, registrations and permissions. For more information, see Registration obligations for businesses.

For information on state and territory government licences and council permits, see Other registrations.

QC 72701

Excise duty rates for tobacco

Find the current excise duty rates for tobacco manufactured or imported into Australia.

Last updated 13 August 2026

How to use these tables

Save this page to your favourites to make sure you use the correct rate for each product in every excise return you lodge.

Rate indexation

Excise duty rates on tobacco goods increase in March and September each year under the law, based on average weekly ordinary time earnings (AWOTE). The AWOTE indexation factor for rates on and from 1 September 2026 is 1.016.

In addition to AWOTE indexation, the tax treatment of per-kilogram tobacco products, such as roll-your-own tobacco, is being aligned with the per-stick rate for manufactured cigarettes. This alignment is occurring through a staged reduction of the 'equivalisation weight' from 0.7 grams to 0.6 grams.

These progressive decreases will occur on 1 September each year from 2023, with the new weight coming fully into effect from 1 September 2026. This will raise the per kilogram duty accordingly.

Manufactured in Australia

Currently there is no legal tobacco manufacture occurring in Australia. If there were, the below tobacco excise rates would apply.

Imported into Australia

When manufactured tobacco goods are imported into Australia, they are subject to customs duty. This duty is:

- paid at the time the products arrive at the Australian border
- equivalent to the following tobacco excise rates.

Tobacco excise rates

The following are the current rates for:

- tobacco manufacture occurring in Australia
- manufactured tobacco goods imported into Australia.

Tobacco rates – Tobacco, cigars, cigarettes and snuff

Tariff item	Description	Unit	From 3 March 2026 to 31 August 2026	From 1 Septe 2026
5.1	In stick form not exceeding in weight 0.8 grams per stick actual tobacco content	$ per stick	$1.52829	$1.
5.5	Either: • not in stick form • in stick form exceeding in weight 0.8 grams per stick actual tobacco content	$ per kg of tobacco content	$2445.26	$2
5.8	Blended tobacco goods	n/a	The amount of duty worked out under section 6AAC	The am of duty worked under section

Historical excise duty rates

The Australian Government **data.gov.au** website lists Historical excise duty rates.

Excise guidelines for tobacco

We publish Excise guidelines for the tobacco industry on our Legal database. The guidelines provide a broad outline of the excise laws

and compliance obligations for tobacco.

QC 63520

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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