

Can You Split an India Order to Stay Under the Duty-Free Limit?



Yash Khatri

Founder, SourcingFrom

Updated 18 Oct 2026 7 min read

Not lawfully, if the parcels are one order. Australia treats packages known to be part of the same order as one consignment and says deliberately structuring orders under A\$1,000 is not acceptable. The UK applies its £135 line to the whole consignment. The US has suspended its duty-free allowance for every country, so there is nothing left to split under. New Zealand sets its full-declaration line at NZ\$1,000 and charges levies per declaration. The legal ways to cut the cost are one proper entry, a trade-agreement rate with a certificate of origin, and checkout tax registration where you sell direct.

The Short Version

- Customs counts the order, not the box. Parcels from one order are one consignment.
- Australia says outright that structuring orders to stay under A\$1,000 is not acceptable.
- The US has no duty-free allowance left for any country, so splitting saves no duty there.
- Splitting multiplies fixed costs such as levies, courier fees and brokerage.
- Small businesses that genuinely order small amounts at irregular times are not structuring, in the ABF's words.

Not if the parcels are really one order. Customs services count the order, not the box, so four parcels from one purchase are one consignment for the threshold, wherever they land and whatever day they arrive. Australia says so in plain words, the UK applies its £135 line to the whole consignment, and the US no longer has a duty-free line for Indian goods at all. The lawful ways to cut the cost are different, and they're below.

The "tip" circulates because it sounds harmless. A UK leather-goods importer said he was "used to shipping multiple large boxes (say 4–8) on individual basis avoiding any custom related hassle" ([r/smallbusinessuk, February 2026](#)). Our [low-value imports](#) guide follows him through the cost of parcels against a pallet. This page answers the narrower question – is splitting allowed, market by market – with each rule read at the official source on 18 October 2026. Thresholds change, so treat every figure here as dated and check it before you ship.

SourcingFrom Intelligence

powered by [Kirnova](#) – the intelligence company

- 01 **Australia names the practice and rules it out.** The ABF calls it "structured ordering" and says "It is not acceptable for an importer to deliberately structure orders" to stay at or below A\$1,000. Packages "known to be part of the same order" are one consignment. (*[Australian Customs Notice 2021/01](#), read 18 October 2026*)
- 02 **The UK tests the consignment, and the relief itself is going.** The £135 line "applies to the value of a total consignment", and the government has announced the removal of the low-value customs duty relief, with new arrangements due "October 2028 at the latest". (*[GOV.UK, VAT and overseas goods](#), [HM Treasury and HMRC consultation response](#), updated 13 July 2026*)
- 03 **Splitting is a habit buyers share, not advice.** In our forum research a UK importer described splitting India shipments into several boxes to avoid customs. Nobody in the thread checked it against HMRC rules. (*[Our forum-signal log FS-SUP-061](#), February 2026*)

What we don't know yet

- ☐ Whether NZ Customs publishes a rule on split orders like Australia's. We didn't find one, so ask your broker.

1. How Does Customs Decide What Counts as One Shipment?

By the order and the parties, not the packaging. Australia's definition is the clearest we found. A consignment is "a single arranged shipment from a consignor to a consignee", and most commercial consignments are made "upon receipt of an order from the consignee" ([ABF ACN 2021/01](#)). The UK government uses a similar idea in its 2026 consultation response, describing a consignment as "all goods moving from a single sender to a single recipient at one point in time" ([GOV.UK](#)).

So the questions customs asks are simple. Who sent it? Who receives it? Was it one order? If the answers are your supplier, you and yes, the boxes are one consignment. And customs can ask for the evidence. The ABF says its officers may request "order records, invoices, packing lists" to check whether goods are one consignment.

2. What Does Australia Say?

More than anyone else, and in writing. The line is A\$1,000. At or below it, goods clear on a self-assessed clearance and are generally duty-free. Above it, the goods "must be formally entered" on an import declaration ([ACN 2021/01](#)).

The notice covers both tricks. A split consignment, one order sent in packages that arrive separately, is "considered to be one consignment". Structured ordering, several orders placed with one supplier "within hours or days", each at or under A\$1,000 and arriving together, is "not acceptable" when it's done to avoid duty and GST. Goods "ordered together and shipped separately" are also shut out of the low-value duty concession. And the notice opens with a reminder that false or misleading information to the ABF is a strict liability offence.

There's one fair carve-out. The ABF doesn't treat businesses "that normally place multiple small orders at ad hoc intervals and ad hoc values" as structuring. If you genuinely buy small amounts when you need them, keep your order history, because the onus is on you to show the pattern.

3. What Does the UK Say?

At or under £135 there's no customs duty, and the seller charges VAT at the point of sale. GOV.UK says the £135 "applies to the value of a total consignment that is imported, not the separate value of individual items", and that "Unless sent individually, the seller must add the individual values of all items in a consignment together" ([GOV.UK](#)). Above £135 it's a normal import, with duty at the tariff rate ([GOV.UK](#)).

We didn't find an HMRC page that addresses deliberate splitting in the direct way Australia's notice does. Don't read that as permission. The test is the consignment, and HMRC can review values and consignments like any customs service. Check your set-up with your customs broker.

The bigger UK news is that the duty relief under the line is going. The government has announced it will remove the low-value customs duty relief, with the new arrangements due "October 2028 at the latest" ([consultation response, updated 13 July 2026](#)). A business model built on parcels under £135 has an end date. Indian goods with proof of origin can enter at 0% under the UK-India agreement (see [India to the UK](#)), so for many lines the threshold matters less than the certificate.

4. What Does the US Say?

There's nothing left to split under. The US\$800 duty-free allowance is suspended for "merchandise valued at \$800 or less arriving via all modes", post included ([CBP e-commerce FAQs, updated 2 September 2026](#)). Every

parcel of Indian goods pays duty, so five parcels pay much the same duty in total as one shipment would, plus five lots of carrier and entry fees.

The old rule already blocked splitting. The de minimis regulation excluded shipments the importer had reason to believe were one of several lots under a single order, "sent separately for the express purpose of securing free entry" ([19 CFR 10.151](#)). What's left is the line between informal and formal entry. Informal entry "is generally allowed for shipments valued at \$2,500 or less, subject to eligibility" ([CBP](#)), with a lower line for goods carrying additional chapter 99 duties, which our [low-value imports](#) guide explains. CBP can also require a formal entry for any merchandise when it decides that's needed ([19 CFR 143.22](#)). Splitting to stay informal saves paperwork at best, and invites questions.

5. What Does New Zealand Say?

The line for a full import declaration is NZ\$1,000 ([NZ Customs fact sheet](#)). Below it, GST on goods sold to consumers is collected at checkout, as set out in our [low-value imports](#) guide. We didn't find an NZ Customs notice on split orders like Australia's, so ask your broker how they'd treat several parcels from one order.

What we can say is that splitting costs more in New Zealand. Since 1 April 2026 the goods levies are charged per import entry and per low-value declaration ([NZ Customs levies guide](#)), so more parcels means more levies. Indian goods also become eligible for New Zealand's FTA rates from 20 October 2026 (see [India to New Zealand](#)), which makes one proper entry with a certificate the better plan for many lines.

6. What Are the Legal Ways to Pay Less?

There are four, and none of them involves the box count.

1. **Ship one consignment and enter it properly.** One entry, one brokerage bill, one set of levies. Our [low-value imports](#) guide shows how to cost parcel against pallet.
2. **Claim the trade-agreement rate.** Australia's ECTA, the UK-India agreement and, from 20 October 2026, the New Zealand agreement take many Indian lines to 0% with the right proof of origin. Ask for the certificate in the PO, and see [certificate of origin](#) and [are you getting ECTA zero duty](#).
3. **Register for checkout tax where you sell direct.** In Australia, New Zealand and the UK, sellers to consumers can collect GST or VAT at the point of sale on low-value goods, which is the lawful version of what parcel-splitters are trying to do.
4. **Get the classification right.** A wrong code can cost more than any threshold saves. See [HS codes](#), and if your supplier's code doesn't match yours, [why your supplier's HS code doesn't match your tariff](#).

Your supplier will usually thank you for it. Small Indian exporters find many small shipments costly, because each shipping bill has to be closed with their bank (an Indian exporter on [r/StartUpIndia](#), April 2025). One consolidated shipment is easier on both ends.

Ready to act

Need hands-on help?

Consolidating orders from India into one entry in your name, with the certificate of origin in your broker's hands, is execution work. SourcingSync can run it from the Indian side.

[Talk to SourcingSync](#) ↗

Questions Buyers Ask

Is it illegal to ship an order in several boxes? ^

No. Shipping in several boxes is normal. Declaring them as separate consignments to stay under a threshold is the problem, and in Australia the ABF calls it unacceptable.

What if the boxes arrive on different days? v

Can I place several small orders instead? v

Does splitting help in the US? v

7. Back to the Eight Boxes

The UK leather importer's boxes avoided "hassle" for a while, but they never avoided the rule. One order to one buyer is one consignment, and that's how a customs officer will read it if they ask. The better trade is one shipment, one entry, the 0% rate with a certificate, and VAT you can actually account for.