



Tackling the root of the problem: \$5.2 million of illicit tobacco destroyed

More than 2,700 kg of illicit tobacco has been seized and destroyed at a property in Victoria.

22 March 2024

The Australian Taxation Office (ATO), with the support of the Australian Border Force led Illicit Tobacco Taskforce (ITTF) and Victoria Police's VIPER Taskforce, has seized and destroyed more than 2,700 kg of illicit tobacco at a property in Pentland Hills, Victoria.

Through Operation Bonnybridge, officers attended the property this week and located four acres of illicit tobacco crops with an estimated excise value of \$5.2 million. They also found and seized numerous electronic devices and CCTV footage and collected intelligence to assist with their enquiries.

ATO Assistant Commissioner Jade Hawkins reiterated the importance of community tip-offs in the fight against illicit tobacco.

'This successful outcome is the result of a tip-off to the ATO,' Ms Hawkins said.

'Not only were we able to bring this criminal operation to a halt but we were also able to disrupt distribution to the retail sector and collect intelligence to help target future operations.'

Ms Hawkins has also encouraged the community to be aware of the signs that illicit tobacco is growing nearby.

'Some of the signs to look out for include intense labour production between November and May, suspicious enquiries about land for lease, unexplained use of water resources and large crops of leafy plants that may resemble kale, cabbage or corn,' Ms Hawkins said.

Removing illegal tobacco from crop to the shop creates a level playing field for small businesses who do the right thing.

The current excise component of a 25-cigarette packet is \$31.95, and the states and territories receive the GST of approximately \$3.36 to \$5.18. A similar pack of illegal cigarettes is sold for approximately \$22.50–\$25, i.e., below the excise-exclusive price.

‘This is yet another example of the success of the Illicit Tobacco Taskforce which brings agencies together to deliver a coordinated multi-agency response to target illicit tobacco,’ Ms Hawkins said.

Australian Border Force (ABF) Commander Clint Sims said investigators were supporting the ongoing work of the ITTF in the disruption of criminal groups involved in the illicit tobacco trade across Melbourne and regional Victoria.

‘Our highly-trained and motivated investigative teams possess significant operational capabilities – targeting, detecting and seizing all forms of illicit tobacco through innovative measures and ensuring criminals are on the losing side of our efforts,’ Commander Sims said.

‘The ABF is 100 per cent focused on disrupting any attempt by criminals to make money off the harm illicit tobacco causes, especially to the health of young people, in our community.’

Commander Paul O’Halloran from Victoria Police’s Crime Command said operations such as this highlighted the work done across multiple agencies to target organised crime syndicates linked to illicit tobacco.

‘Over the past 12 months in particular we have seen illicit tobacco become a significant driver of organised crime groups in Victoria, with an array of serious and violent offending taking place as those groups compete for the lucrative profits,’ Commander O’Halloran said.

‘Disrupting these syndicates and putting a stop to their criminality remains a priority for Victoria Police and it is critical that we continue to work with our law enforcement partners including the ATO and ABF on this.’

‘This week’s result highlights the success of that collaborative effort and will hopefully lead to further avenues of enquiry when targeting those organised crime groups profiting from illicit tobacco.’

If you suspect that illicit tobacco is being grown or manufactured in your community you can confidentially report it to the ATO online at www.ato.gov.au/tipoff, or phone **1800 060 062**.

For more information about illicit tobacco, visit our website and download our infographic at ato.gov.au/illicittobacco.

Images from the raid

- [Image 1](#) 
- [Image 2](#) 
- [Image 3](#) 

101329

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.

Copyright notice

© Australian Taxation Office for the Commonwealth of Australia

You are free to copy, adapt, modify, transmit and distribute this material as you wish (but not in any way that suggests the ATO or the Commonwealth endorses you or any of your services or products).