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STATUTORY INSTRUMENTS

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**2018 No. 1248**

**The Customs (Import Duty) (EU Exit) Regulations 2018**

**PART 6**

**Payment**

**Interpretation**

**42.** For the purposes of this Part, a person is “involved in a breach of a relevant Customs obligation” if that person is within one of paragraphs (a) to (d) of section 6(4) of the Act.

**Payment of import duty**

**43.—**(1) A person who is liable to pay import duty must pay the duty before the end of the period of 10 days beginning with the date following the date on which the person is notified of the liability. This is subject to paragraphs (2) to (5).

(2) If—

- (a) a single guarantee is given in relation to the payment of the liability to import duty; and
- (b) a deferral of the payment has been approved in respect of that liability,

a person who is liable to pay import duty must pay the duty before the end of the period of 30 days beginning with the date following the date on which the person is notified of the liability.

(3) If—

- (a) a comprehensive guarantee is given in relation to the payment of the liability to import duty; and
- (b) a deferral of the payment has been approved in respect of that liability,

a person who is liable to pay import duty must pay the duty before the end of the period of 15 days beginning with the date following the date on which the person is notified of the liability.

(4) If a liability to import duty is determined on the basis of information contained in a Customs declaration corrected (or required to be corrected) under paragraph 14 of Schedule 1 to the Act, a person who is liable to pay the import duty must pay the duty before the end of—

- (a) a period of 10 days beginning with the date following the date on which the person is notified of the liability; or
- (b) if a guarantee is given in relation to the payment of the liability, such longer period as is notified to the person liable which an HMRC officer considers reasonable in the circumstances but not longer than a period of 6 months beginning with the date following the date on which the person is notified of the liability.

(5) In a case within paragraph (4), if the inaccuracy in the Customs declaration is discovered after the date on which the person was notified of the liability to pay import duty determined on the basis of the information contained in the Customs declaration before the correction, paragraph (4) only applies in relation to any additional import duty arising as a result of the correction.

**Suspension of period for payment**

**44.**—(1) The period for discharging a liability to pay import duty incurred in respect of goods is suspended in the cases set out in paragraphs (2), (3), (5) and (6).

(2) If an application for remission of the liability is made where regulation 48 (incorrect amount of import duty), 50 (lower rate of import duty available), 51 (defective and non-compliant chargeable goods) or 52 (just and equitable reduction) applies, the period for discharging the liability is suspended until the application is rejected under regulation 63 (acceptance and rejection) or determined under regulation 64 (determinations).

(3) If—

- (a) two or more persons have been notified of a liability to pay import duty incurred in respect of goods; and
- (b) one or more of those persons is involved in a breach of a relevant Customs obligation in respect of those goods,

in relation to any person who is not involved in the breach, the period for discharging the liability is suspended for one year if that person gives or has given a guarantee in respect of that liability.

(4) In a case within paragraph (3)—

- (a) no guarantee is required if in the opinion of an HMRC officer the requirement of a guarantee would be likely to cause serious economic or social difficulties to the person; and
- (b) the duration of the suspension may be extended if an HMRC officer thinks an extension is just and reasonable in the circumstances.

(5) If a liability to import duty relates to—

- (a) a relevant decision falling within paragraph (a) or (h) of section 13A(2) of the Finance Act 1994<sup>(1)</sup>, or
- (b) a decision on a review of such a relevant decision,

which is the subject of an appeal under section 16 of that Act where paragraphs (a) or (b) of subsection (3) of that section applies, the period for discharging the liability in respect of that duty is suspended until the appeal is determined.

(6) If notice of seizure has been given in relation to goods under paragraph 1(1) of Schedule 3 to CEMA 1979<sup>(2)</sup> or goods have been seized in a case within paragraph 1(2) of that Schedule, the period for discharging a liability to import duty incurred in respect of the goods is suspended until the goods are condemned as forfeited under paragraph 5, 6 or 7 of that Schedule or determined by a court as not liable for forfeiture in proceedings for condemnation.

**Interest on late payment of import duty**

**45.**—(1) Import duty payable carries interest at the late payment interest rate from the late payment interest start date until the date of payment.

(2) The late payment interest start date is the date following the date on or before which a liability to pay import duty must be discharged.

(3) But where a person is liable to import duty in respect of goods because the person was involved in a breach of a relevant Customs obligation in relation to the goods, the late payment interest start date is the date which would have applied had the breach not occurred and a Customs declaration had been made as required.

(4) The late payment interest rate is the percentage per annum given by the formula—

(1) 1994 c. 9; section 13A was inserted by S.I. 2009/56 and relevantly amended by S.I. 2011/1043, section 16 was relevantly amended by S.I. 2009/56.

(2) Paragraph 1(2) of Schedule 3 was amended by section 175(5) of the Finance Act 2016 (c. 24).

## **BR+2**

where BR is the official Bank rate determined by the Bank of England Monetary Policy Committee at the operative meeting.

(5) For the purposes of paragraph (4), “the operative meeting”, in relation to the late payment interest rate applicable in respect of any day, means the most recent meeting of the Bank of England Monetary Policy Committee apart from any meeting later than the 13th working day before that day.

(6) HMRC Commissioners may waive a charge to interest under this regulation where they think that the charge would cause serious economic or social difficulties to the person liable to the charge.

(7) No interest arises under this regulation if the amount of import duty is less than £9.

(8) Any interest determined under this regulation is recoverable as if it were an amount of import duty.

(9) Paragraph (1) applies even if the late payment interest start date is a non-business day within the meaning of section 92 of the Bills of Exchange Act 1882<sup>(3)</sup>.

(10) Late payment interest is not payable on late payment interest.

(11) For the purposes of this regulation, a reference to import duty being paid includes a reference to its being set off against an amount payable by HMRC (and, accordingly, the reference to the date of payment includes a reference to the date from which the set-off takes effect).

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(3) 1882 c. 61; amended by sections 3(1) and 4(4) of the Banking and Financial Dealings Act 1971 (c. 80).