Taxation (Cross-border Trade) Act 2018

2018 CHAPTER 22

PART 1

IMPORT DUTY

Incurring of liability to import duty

3 Obligation to declare goods for a Customs procedure on import

(1) Chargeable goods which are presented to Customs on import must be declared for a Customs procedure by the making of a Customs declaration.

(2) It is the Customs procedure for which the goods are declared that determines when a liability to import duty is incurred.

(3) The Customs procedures for which chargeable goods may be declared are as follows—

(a) a procedure under which the goods are released for free circulation in **[**[F1]Great Britain**]** (referred to in this Part as "the free-circulation procedure"), or

(b) a special Customs procedure.

(4) In this Part "special Customs procedure" means—

(a) a storage procedure,

(b) a transit procedure,

(c) an inward processing procedure, or

(d) an authorised use procedure or temporary admission procedure.

(5) Schedule 1 makes provision about—

(a) the period within which Customs declarations are required to be made (and associated matters),

(b) the making, amendment or withdrawal of Customs declarations,

(c) the acceptance of Customs declarations by HMRC,

(d) the verification of Customs declarations by HMRC officers, and

(e) the release of goods to, and the discharge of goods from, Customs procedures.

(6) Schedule 2 makes further provision about special Customs procedures.

Textual Amendments

F1 Words in s. 3(3)(a) substituted (17.12.2020 for specified purposes, 31.12.2020 in so far as not already in force) by Taxation (Post-transition Period) Act 2020 (c. 26), s. 11(1)(e), **Sch. 1 para. 2** (with Sch. 2 para. 7(7)-(9)); S.I. 2020/1642, reg. 9

Modifications etc. (not altering text)

C1 S. 3 applied (with modifications) (31.12.2020) by The Customs (Northern Ireland) (EU Exit) Regulations 2020 (S.I. 2020/1605), regs. 1(1), **20**; S.I. 2020/1643, reg. 2, Sch.

C2 S. 3 applied (with modifications) (31.12.2020) by The Customs (Northern Ireland) (EU Exit) Regulations 2020 (S.I. 2020/1605), regs. 1(1), **27**; S.I. 2020/1643, reg. 2, Sch.

C3 S. 3 applied (15.12.2023) by S.I. 2019/855, **reg. 60GAA(7)** (as inserted by The Russia (Sanctions) (EU Exit) (Amendment) (No. 4) Regulations 2023 (S.I. 2023/1364), regs. 1(3), **13**)

Commencement Information

I1 S. 3 in force for specified purposes at 13.9.2018, see s. 57(1)(a)

I2 S. 3 in force at 31.12.2020 in so far as not already in force by S.I. 2020/1642, **reg. 4(a)**

4 When liability to import duty incurred

(1) If—

(a) chargeable goods are declared for the free-circulation procedure, and

(b) HMRC accept the declaration,

a liability to import duty is incurred at the time of the acceptance.

(2) If chargeable goods are declared for—

(a) a storage procedure,

(b) a transit procedure, or

(c) an inward processing procedure,

the general rule is that a liability to import duty is not incurred by reference to the importation of the goods.

(3) This rule is subject to the following two exceptions—

(a) if there is no entitlement to make the Customs declaration concerned, a liability to import duty is incurred at the time the (purported) declaration is made, and

(b) if there is a breach by any person of any requirement relating to the procedure, a liability to import duty is incurred at the time at which the breach first occurs.

(4) In the case of goods declared for an authorised use procedure or temporary admission procedure—

(a) a liability to import duty is incurred at the time the declaration is accepted by HMRC,

(b) if there is an entitlement to make the declaration for the procedure, the rate of import duty is lower than the normal rate (see section 19(4)),

(c) if there is no such entitlement, the liability is at the normal rate, and

(d) if there is a breach of a requirement relating to the procedure, a further liability to import duty arises at the time of the breach at the normal rate reduced to take account of the amount of any earlier liability.

(5) In the case of goods declared for a temporary admission procedure, see also section 19(5).

(6) In this section any reference to the breach of a requirement relating to a special Customs procedure is to—

(a) a breach, occurring while the procedure has effect, of the terms of the declaration for the procedure or of any other requirement imposed in relation to the procedure by or under Schedule 2, or

(b) a breach, occurring at any time after the declaration was made, of any other requirement imposed by an HMRC officer in relation to the goods for which the declaration was made.

(7) In this section "the normal rate" means the rate that, at the time of the declaration or breach (as the case may be), would be applicable if section 19(4) were ignored.

Commencement Information

I3 S. 4 in force for specified purposes at 13.9.2018, see s. 57(1)(a)

I4 S. 4 in force at 31.12.2020 in so far as not already in force by S.I. 2020/1642, **reg. 4(a)**

5 Goods not presented to Customs or Customs declaration not made

(1) If chargeable goods—

(a) are imported into the United Kingdom, and

(b) are not presented to Customs on import (if so required),

the goods are liable to forfeiture (as to which, see Part 11 of CEMA 1979) at the time of importation.

(2) If goods are liable to forfeiture as a result of—

(a) subsection (1), or

(b) paragraph 1(5) or 3(4) of Schedule 1 (no Customs declaration made),

a liability to import duty is incurred at the time at which the goods become liable to forfeiture.

Commencement Information

I5 S. 5 in force for specified purposes at 13.9.2018, see s. 57(1)(a)

I6 S. 5 in force at 31.12.2020 in so far as not already in force by S.I. 2020/1642, **reg. 4(a)** (with reg. 5)

Changes to legislation:
There are currently no known outstanding effects for the Taxation (Cross-border Trade) Act 2018, Cross Heading: Incurring of liability to import duty.