

Status: Point in time view as at 31/12/2020.

Changes to legislation: There are currently no known outstanding effects for the Taxation (Cross-border Trade) Act 2018, PART 7. (See end of Document for details)

SCHEDULES

SCHEDULE 2

SPECIAL CUSTOMS PROCEDURES

PART 7

SUPPLEMENTARY PROVISIONS

Records

- 17 (1) HMRC Commissioners may by regulations make provision about the keeping of records in respect of goods that are subject to a special Customs procedure.
- (2) The regulations may provide for requirements to be imposed, in respect of records of a specified description, on—
- (a) any person to whom an authorisation is granted to declare the goods for the procedure,
 - (b) any person to whom any other authorisation is granted in accordance with regulations made under any provision of this Schedule,
 - (c) any person who is involved to any extent in handling, processing, disposing of or otherwise dealing with the goods while the procedure has effect, or
 - (d) any other person.

Commencement Information

- 11** Sch. 2 para. 17 in force for specified purposes at 13.9.2018, see s. 57(1)(a)
- 12** Sch. 2 para. 17 in force at 31.12.2020 in so far as not already in force by [S.I. 2020/1642](#), [reg. 4\(a\)](#)

Discharge of special Customs procedures: rules applicable to all procedures

- 18 (1) The provision made by or under this Schedule in relation to goods declared for a special Customs procedure has effect from the time at which the goods are released to the procedure until the time at which the procedure is discharged in accordance with this paragraph or paragraph 19.
- (2) A special Customs procedure is discharged if—
- (a) the goods are declared for another Customs procedure, and
 - (b) HMRC accept the declaration.
- (3) Directions given by HMRC Commissioners may require a special Customs procedure to be discharged before a date specified in, or determined in accordance with, the directions.
- (4) If—

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- (a) the procedure is not discharged before that date, and
- (b) an HMRC officer gives a notice under this sub-paragraph to the person who declared the goods for the procedure,

the goods are treated for the purposes of this Part of this Act as if, at the time at which the notice is given, that person had declared the goods for the free-circulation procedure and HMRC had accepted that declaration.

- (5) Directions under this paragraph—
 - (a) may be given generally by HMRC Commissioners or in relation to the particular case concerned by an HMRC officer, and
 - (b) if given generally, may be given by way of a public notice given by HMRC Commissioners.
- (6) Any regulations made under the Part of this Schedule relating to a particular special Customs procedure—
 - (a) may require the procedure to be discharged before a specified date, and
 - (b) may make provision replicating or applying, with or without modifications, the provision made by sub-paragraph (4) or (5).
- (7) Any regulations made under the Part of this Schedule relating to a particular special Customs procedure may require the goods to be presented at any place in accordance with the regulations before the procedure is discharged.

Modifications etc. (not altering text)

- C1** Sch. 2 para. 18(2) modified (31.12.2020) by [The Customs \(Crown Dependencies Customs Union\) \(EU Exit\) Regulations 2019 \(S.I. 2019/385\)](#), regs. 1(2), **3(8)** (with reg. 2); [S.I. 2020/1643](#), reg. 2, **Sch.** (as amended by [The Customs \(Northern Ireland\) \(EU Exit\) Regulations 2020 \(S.I. 2020/1605\)](#), regs. 1(1), **40(2)(3)**; [S.I. 2020/1643](#), reg. 2, **Sch.**)

Commencement Information

- I3** Sch. 2 para. 18 in force for specified purposes at 13.9.2018, see s. 57(1)(a)
- I4** Sch. 2 para. 18 in force at 31.12.2020 in so far as not already in force by [S.I. 2020/1642](#), reg. 4(a)

Discharge of special Customs procedures: rules applicable to particular procedures

- 19 (1) This paragraph specifies further cases in which particular special Customs procedures are discharged.
- (2) A transit procedure is discharged in accordance with provision made by regulations made by HMRC Commissioners.
- (3) A storage procedure, an inward processing procedure, an authorised use procedure or a temporary admission procedure is discharged if—
- (a) the goods are exported from the United Kingdom in accordance with the applicable export provisions [^{F1}or are removed to Northern Ireland],
 - (b) the goods are destroyed, or
 - (c) the goods are liable to forfeiture.
- (4) In addition, an authorised use procedure or temporary admission procedure in respect of any goods is discharged if the requirements imposed by or under this Schedule in relation to the procedure are met in respect of the goods.

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Textual Amendments

- F1** Words in Sch. 2 para. 19(3)(a) inserted (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. 9\(7\)](#) (with [Sch. 2 para. 7\(7\)-\(9\)](#)); [S.I. 2020/1642](#), reg. 9

Modifications etc. (not altering text)

- C2** Sch. 2 para. 19(3) modified (31.12.2020) by [The Customs \(Crown Dependencies Customs Union\) \(EU Exit\) Regulations 2019 \(S.I. 2019/385\)](#), regs. 1(2), [3\(9\)](#) (with reg. 2); [S.I. 2020/1643](#), reg. 2, [Sch.](#) (as amended by [The Customs \(Northern Ireland\) \(EU Exit\) Regulations 2020 \(S.I. 2020/1605\)](#), regs. 1(1), [40\(2\)\(3\)](#); [S.I. 2020/1643](#), reg. 2, [Sch.](#))

Commencement Information

- I5** Sch. 2 para. 19 in force for specified purposes at 13.9.2018, see s. 57(1)(a)
I6 Sch. 2 para. 19 in force at 31.12.2020 in so far as not already in force by [S.I. 2020/1642](#), [reg. 4\(a\)](#)

Discharge of special Customs procedures: other provision

- 20 (1) Despite the provision made by paragraph 18 or 19, a special Customs procedure in respect of any goods is not discharged if a liability to import duty is incurred in respect of the goods while the procedure has effect and—
- (a) a guarantee has not been given in accordance with regulations under paragraph 6 of Schedule 6 that has effect in relation to the goods, or
- (b) if no guarantee is given, the import duty has not been paid.
- (2) If a special Customs procedure in respect of any goods is prevented from being discharged as a result of sub-paragraph (1) (and only as a result of that sub-paragraph), that does not prevent the goods from also being released to another special Customs procedure.
- (3) HMRC Commissioners may by regulations make provision as to the evidence which is to be required, or is to be sufficient, for the purpose of showing that a special Customs procedure has been discharged.

Commencement Information

- I7** Sch. 2 para. 20 in force for specified purposes at 13.9.2018, see s. 57(1)(a)
I8 Sch. 2 para. 20 in force at 31.12.2020 in so far as not already in force by [S.I. 2020/1642](#), [reg. 4\(a\)](#)

Liability to import duty imposed on persons other than declarant etc

- 21 (1) HMRC Commissioners may by regulations impose a liability to import duty on any person who, at any time while a special Customs procedure has effect, breaches a requirement imposed on the person by provision made by or under this Schedule.
- (2) The regulations may provide for cases in which the person is not liable to import duty even though the person breaches a requirement.

Commencement Information

- I9** Sch. 2 para. 21 in force for specified purposes at 13.9.2018, see s. 57(1)(a)

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I10 Sch. 2 para. 21 in force at 31.12.2020 in so far as not already in force by [S.I. 2020/1642, reg. 4\(a\)](#)

Changes in nature of goods while subject to a special Customs procedure etc

- 22 (1) If at any time while a special Customs procedure has effect in relation to any goods—
- (a) there is a change in the goods, and
 - (b) a liability to import duty is incurred,
- HMRC Commissioners may by regulations make provision for determining the liability by reference to the goods as they stood when the declaration for the procedure was made (and not when the liability is incurred).
- (2) The regulations—
- (a) may apply only in relation to a special Customs procedure of a specified description, and
 - (b) may provide for their application to be limited to cases where an HMRC officer considers that the regulations ought to apply.
- (3) In the case of goods declared for a special Customs procedure, HMRC Commissioners may make provision by regulations for altering the value of the goods for the purposes of import duty so as to take account of things done after the declaration is made.
- (4) The regulations may provide—
- (a) for the alteration to be applicable only in relation to special Customs procedures of a specified description and only in relation to things done of a specified description, and
 - (b) for the amount of the alteration to be determined in accordance with the regulations.
- (5) Except as provided for by—
- (a) the preceding provisions of this paragraph, or
 - (b) provision made in regulations made by HMRC Commissioners,
- if there is a change in any goods at any time while a special Customs procedure has effect in relation to the goods, the goods are to be regarded nonetheless as the same goods for the purposes of any provision made by or under this Part of this Act.
- (6) For the purposes of this paragraph it does not matter—
- (a) whether a change in any goods is a change in their nature or in any other respect, or
 - (b) whether a change in any goods is as a result of their incorporation into any other goods or anything else.

Commencement Information

I11 Sch. 2 para. 22 in force for specified purposes at 13.9.2018, see s. 57(1)(a)

I12 Sch. 2 para. 22 in force at 31.12.2020 in so far as not already in force by [S.I. 2020/1642, reg. 4\(a\)](#)

Use of equivalent domestic goods

- 23 (1) HMRC Commissioners may, in cases where goods (“the imported goods”) are intended to be declared for a special Customs procedure, by regulations make

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provision for requirements in relation to the procedure to be met by reference to equivalent domestic goods.

- (2) Goods are “equivalent domestic goods” if they are domestic goods that are of the same, or of substantially the same, description as the imported goods.
- (3) Among other things, the regulations may—
 - (a) secure that, once a declaration of the imported goods for a special Customs procedure is accepted by HMRC, the goods are treated for the purposes of this Part of this Act as if they had been simultaneously released to, and discharged from, the procedure, and
 - (b) provide that goods may not be so treated unless the requirements in relation to the procedure were met by reference to the equivalent domestic goods.
- (4) The provision that may be made by the regulations includes provision for authorising goods in accordance with the regulations before they may be used as equivalent domestic goods.
- (5) HMRC Commissioners may by regulations make provision as to cases in which goods are, or are not, to be regarded as equivalent domestic goods for the purposes of this paragraph.
- (6) This paragraph does not apply to a transit procedure.

Commencement Information

I13 Sch. 2 para. 23 in force for specified purposes at 13.9.2018, see s. 57(1)(a)

I14 Sch. 2 para. 23 in force at 31.12.2020 in so far as not already in force by [S.I. 2020/1642](#), [reg. 4\(a\)](#)

Directions

- 24 Any directions given by the Treasury or HMRC Commissioners under this Schedule may be amended or revoked.

Commencement Information

I15 Sch. 2 para. 24 in force for specified purposes at 13.9.2018, see s. 57(1)(a)

I16 Sch. 2 para. 24 in force at 31.12.2020 in so far as not already in force by [S.I. 2020/1642](#), [reg. 4\(a\)](#)

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