

Customs Duty Guide

1. INTRODUCTION

Customs duty is due when you import goods from outside the European Union. Import duty and VAT is charged at the point of entry into the UK (ie Airport or Port). The carrier handling these goods will normally require payment before the goods are released. Goods entering the UK from other EU member states will not be charged duty as goods can move freely within the EU without charge.

The level of duty payable on an item is determined by its "classification code". In order to ascertain the level of duty payable on an item, departments should refer to the following link which facilitates the search for a code by inputting a description of the goods. Once the code has been found, clicking on the 'Duty Rates' button will indicate the level of chargeable duty

<https://www.gov.uk/trade-tariff>.

In order to ensure that the goods incur duty at the correct percentage (and at 0% if the goods are classified as duty-free); the supplier should be contacted and advised of the correct classification code. They should also be requested to quote this code on the commercial invoice which accompanies the goods' freight documentation. (Note that the commercial invoice is not the same as the sales invoice normally received for goods/services).

<https://www.gov.uk/trade-tariff/commodities/8526912099>

To determine the rate of duty due in relation to an item you are importing you need to establish its Commodity Code. You can also call the HMRC Tariff Classification Service enquiry line on telephone: 01702 366 077.

2. CUSTOMS DUTY RELIEF

The University can claim relief from duty for import of

1. all scientific instruments and apparatus & spare parts & special tools and approved biological & chemical substances
2. animals imported for use in scientific research.

To qualify the above must be used in non-commercial research or education.

Scientific instruments and apparatus are defined as any instrument or apparatus which, by reason of its objective technical characteristics and the results which it makes possible to obtain, is mainly or exclusively suited to scientific activities.

Relief extends to spare parts, components and accessories specifically for scientific instruments and apparatus which have been granted relief and tools to be used for maintaining, checking calibrating or repairing eligible instruments or apparatus.

Relief from VAT and duty is available for goods imported for testing to find out their composition, quality or other characteristics for information, or for industrial or commercial research. You must completely use up or destroy the goods in the course of the testing and send NIRU a return once the testing is complete.

You will need to apply for exemption from duty BEFORE IMPORTING THE GOODS by contacting the National Import Relief Unit of HMRC (details given below). This application must be made before importing goods as it is not possible to get refunded the duty after it has been charged.

To be able to obtain approval and claim duty relief on these goods, an application must be made in advance of importation to NIRU (National Import Reliefs Unit). A copy of the NIRU certificate form for completion is attached. This can then be forwarded to niru.ni@hmrc.gov.uk or posted to the address given below.

NIRU will issue you with a certificate if your application is successful. A copy of the certificate must be forwarded to the shipping agent and you need to ensure the shipping agent uses the correct Customs Procedure Code (CPC) on the import declaration for the relief to be applied. Please ensure that your supplier is aware that you are applying for this relief if appropriate.

Donated goods

Import VAT and duty are payable on the market value of imported goods which have been donated to the University.

Temporary Imports

Relief from VAT and duty is available for temporary imports, either Temporary Admissions (TA) or goods coming into the country for processing or repair, under what is known as Inward Processing Relief (IPR). It is essential that the shipping agent handling the import uses the correct CPC to identify the type of import or VAT and duty may be charged incorrectly.

When goods are imported temporarily either as a TA or under IPR, there are other conditions that must be met in order to obtain relief including using the correct CPC on re-export. For Temporary Admissions, the VAT and duty usually has to be paid on deposit and then claimed back once proof of export has been supplied to HMRC.

Goods being returned after process/repair overseas

If the repair is carried out free of charge under warranty, then no VAT and duty is payable but if there is a charge, then VAT and duty is due on the cost of the repair. The shipping agents exporting and importing the goods must be informed of the situation so that the correct Customs Procedure Code (CPCs) are used on both export and re-import.

In cases where goods are returned to their supplier/manufacturer outside the European Union (eg, for repair), then Outward Processing Relief (OPR) is required for the re-importation of goods to the UK.

When an item is returned to its supplier, the exporting agent must be informed by the unit that the item is travelling under temporary export for repairs to be carried out and

returned to the UK. The exporting agent should then complete an OPR form on the unit's behalf, or give instructions on how an OPR application form should be completed.

After the repair has been carried out and the goods arrive back to be imported again into the UK, a fully completed OPR form will act as proof that VAT and import duty have been paid on the item's first importation and will therefore ensure that the cost of any VAT and duty due again on re-importation is waived.

Unless agents are made aware of the item's return, they will assume the export is final, ie that the goods will not return to the UK. It is therefore essential that the unit informs the agent from the outset to ensure the necessary paperwork is completed.

If, after export, the supplier decides to replace the faulty goods instead of repairing them, it should be noted that VAT is due on the full value of all new replacements. If repaired goods are not returned in one single consignment, then the agent must be informed of this to enable them to inform HM Revenue & Customs who will note the quantity of goods being imported and the quantity which remains to be imported. (This paperwork must be presented to HMRC again when the next consignment is imported.)

Return of University's Own Goods

Relief is also available under Returned Good Relief for items belonging to the University which are sent overseas temporarily eg for an exhibition or to be used in research overseas. Again the correct Customs Procedure Code (CPCs) must be used on both export and re-import.

niru.ni@hmrc.gov.uk

National Import Reliefs Unit
HM Revenue and Customs
Custom House
Killyhevlin Industrial Estate
Enniskillen County
Fermanagh
Tel: 028 6632 2298, Fax: 028 6632 4018

Claiming Import Duty relief

Step 1:

To obtain approval for import duty relief you will need to complete the following certificate and submit it to NIRU at niru.ni@hmrc.gov.uk

[NIRUCertificate.doc](#)

Step 2:

Where relief from duty and/or VAT is available, goods are declared to the relevant procedure by showing one of a number of specific seven character Customs Procedure Codes (CPCs) in Box 37 of the customs import declaration form (UK version C88) – see below.

[Form for import and export of goods c88-uk-transit.pdf](http://www.hmrc.gov.uk/forms/c88-uk-transit.pdf) available at <http://www.hmrc.gov.uk/forms/c88-uk-transit.pdf>

If Duty relief is not applicable or available, then Customs Procedure Code (CPC) 40 00 000 must be use.

Customs Procedure Codes (CPCs) for use in Customs Import Declaration Form	
TYPE 1 : Statutory Conditional Relief	
CPC 40 00 C30	Imports of commercial samples of negligible value
CPC 40 00 C13	Imports of scientific instruments and apparatus
CPC 40 00 C17	Imports of donated instruments and apparatus used in medical research diagnosis or treatment
CPC 40 00 C25	Imports of articles for disabled people
CPC 40 00 C15	Imports of certain listed biological or chemical substances for use in non-commercial research
CPC 40 00 C33	Imports of goods for examination, analysis or test
TYPE 2: Temporary Importation Relief	
CPC (Not required)	Goods covered by an ATA Carnet issued outside the EU for temporary importation into the EU and subsequent re-exportation
TYPE 3: Relief on goods imported for repair or for processing into finished products	
CPC 51 00 001	Goods imported for repair, or for processing into finished products and re-exportation outside the EU. (This CPC provides relief from Duty and VAT, specifically under the Inward Processing Relief Suspension (IPRS) simplified authorisation procedure).
CPC 51 00 003	Goods imported for repair, or for processing into finished products and re-exportation outside the EU. (This CPC provides relief from VAT only, specifically under the Inward Processing Relief Suspension (IPRS) simplified authorisation procedure).
TYPE 4: Re-Importation Relief	
CPC (Not Required)	Goods covered by an ATA Carnet issued in the EU for temporary export outside the EU and subsequent re-importation
CPC 61 23 FOI	Re-imported goods which have been subject to no change or process whilst outside the EU - "Returned Goods Relief