

Why not defer payment of your customs bills?

Do you regularly import goods or are you a customs broker? Or perhaps you are planning to start an import business in Sweden? Then it would be to your advantage to defer payment of duties and taxes. Importers with credit permit pay customs duty and taxes after the goods have been released. This means you have access to them, perhaps manage to sell them and receive the profits before paying the charges. In order to defer payment however, you must first have an authorisation. In this fact sheet you can learn about the advantages of having deferred payment arrangements, what the requirements are and how to apply.

What advantages does deferred payment offer?

Advantages of deferred payment arrangements:

- You will get a credit period of 30 days and will not have to pay the charges for customs duties and other taxes immediately when you clear your goods through Customs.
- We will issue a weekly customs bill with an enclosed inpayment form.
- You can apply for the opportunity to be accredited in the Stairway[®], our customs system aimed at increased service, quality and efficiency in dealing with customs matters.
- You can apply for authorisation to lodge a simplified declaration in order to have access to your goods, i.e. a *simplified clearance procedure* for **release for free circulation**.

- You can apply for authorisation to lodge a declaration for a **customs procedure** on other premises than ours, i.e. a *local clearance procedure* for release for free circulation.
- You can apply for authorisation to cross the Swedish border when the Customs office is closed and where the border is unguarded.
- Companies established in other EU countries or Norway may also enjoy deferred payment.

Customs procedures are

- release for free circulation
- transit
- customs warehousing
- inward processing
- processing under Customs control
- temporary importation
- outward processing
- exportation.

Release for free circulation – This means you pay customs duties and other taxes, i.e. clear the goods through Customs into the European Union. After that the commodities may be freely moved within the EU without any customs documents.

What is required for obtaining authorisation?

In order to obtain a credit authorisation you should regularly import goods or plan to establish an import business. If you have a Swedish company it should be under the obligation to keep accounts and liable to render account for VAT. You register for VAT at the Swedish Tax Authority. Your company must be registered at the Swedish Companies Registration Office, but this is not always required if you are a private entrepreneur.

We normally require the lodging of full security for all customs debts (customs duties, agricultural fees and export duties). We look into the credit rating of an applicant determining whether the company also should deposit security for VAT and other taxes. The security may be deposited in cash or as a bank guarantee.

How do I apply for authorisation?

You apply for credit authorisation by filling out the form *Application for deferment of payment* (Tv 404.2) which can be found on the Swedish Customs web site www.tullverket.se. In your application you make a forecast of your import transactions during one year. This forecast is the basis for your credit rating used in determining the amount of deposit required.

The forecast should include the following information:

- the estimated total value of imported commodities
- estimated customs duties
- estimated VAT
- the estimated number of import transactions during one year.

It is also important that you describe the nature of the commodities you plan to import, and from what countries.

The application must be signed by the person authorised to sign for the company. Please send your application to the Swedish Customs Service, P.O. Box 12854, S-112 98 Stockholm.

Import requirements

You must make customs clearance of goods imported from a country outside the EU i.e. lodge a customs declaration. You must provide details of the import goods either in the form of a *Single Administrative Document* (SAD, form Tv 718.3) or, electronically. You can do the latter either by means of a special software (EDIFACT) or via the Internet, the Swedish Customs Internet Declaration (TID).

You can file the customs declaration yourself or commission a customs broker. In both cases you are considered to be the *declarant*. A declarant is the person making the customs declaration in his own name or the person in whose name a declaration is made.

You declare the dutiable value of merchandise and declare estimated duties. Please remember that Customs fixes final appraisement and makes the final determination of the correct rate of duty. If you have credit authorisation you defer payment of charges for a 30-day credit period. The final assessment decision is stated on the customs bill. The charge day is the day we issue the bill.

It is *always* your responsibility as a declarant that the information you give us in the customs declaration is complete and correct. You are also the person liable for timely payment of customs duty and taxes. Should you have entered erroneous particulars in the customs declaration you may be liable for supplemental duty charges or may be penalized in accordance with the Contraband Act. As a declarant you must verify the particulars entered and report to us if you find any errors.

When and how do I pay?

Credit holders must pay customs duties and taxes no later than Friday of the fourth week after an import transaction has taken place. This means you enjoy a credit period of 30 days. Your customs bill will be sent 11 days before payment is due. Payment must be received in our accounts no later than the due date. Therefore it is impossible to pay the bill at the post office or bank on the very day of expiry.

The customs bill contains the following information:

- name and telephone number of the customs office that has made taxation assessment decision
- the customs ID (i.e. the unique identification number of each importation.)

- the date determining the duties and taxes charged
- charge codes (each kind of charge has its proper code)
- the total amount charged for each shipment (per charge and total)
- the total sum of the bill (including VAT).

If you have any questions concerning your customs bill, please contact the Customs office that dealt with your transaction.

Payment should be made to our bank account, via Bank Giro 867-4046, or to our PlusGiro account (earlier postal giro) 86 74 04-6. If the bill is not paid on time interest on arrears will accrue. Please note that this may also be done on account of a payment delayed because of vacation or public holiday.

Should the customs bill have been delayed or lost you are still responsible for timely payment of all charges. For more information about how to pay when you have not received a customs bill, please contact our officials dealing with bill-related issues in Sundsvall via the Swedish Customs switchboard +46 771 520 520

Can my customs broker pay?

As a declarant you may appoint a customs broker holding a credit authorisation to shoulder the liability to pay your bills. But please bear in mind that it does not relieve you of the responsibility for timely payment of customs duties and taxes.

A customs broker may not assume a general payment liability for a declarant. Rather, as a customs broker you must affirm this arrangement in each customs declaration. Brokers receiving money for payment of customs bills must keep these funds apart from other assets.

The customs declaration with the taxation assessment decision will be sent to the broker who has assumed liability for payment. The broker is required to provide the declarant a copy or excerpt of the customs bill with an explanatory statement and instructions on how to appeal such decisions.

Do you consider the charges in your customs bill incorrect?

Even though you consider the charges in a customs bill incorrect you must pay the stated amount. You can then apply for a reconsideration of the taxation assessment decision. Normally you must file such an application within three years after the date we issued the customs bill. You send your application to Swedish Customs, P.O. Box 12854, S-112 98 Stockholm.

Please bear in mind that we don't repay amounts that you may deduct when rendering an account of tax according to the Value Added Tax Act. Nor do we repay amounts that may be deducted according to the Settlement Act. You will receive interest on the amount repaid.

Customer index

We have gathered particulars regarding companies holding credit authorisation in a customer index published on our web site www.tullverket.se. There you will find updated information about the name, address, Corporate Identification Number or Personal Code Number, respective Customs office and what authorisations a company holds.

If you are a private firm you may decide whether your particulars should be included in the index or not. This you can state on the application form for credit authorisation.

Where can I find the legal texts?

Provisions concerning credit authorisation are given here

- Council Regulation (EEC) no 2913/92, Articles 8-9, 189-200 and 222-232 (Customs Code)
- Swedish Customs Act (2000:1281), Chapter 5, Sections 7-9 and 15-22
- Customs Proclamation (TFS 2000:20), Chapter 19, Sections 1-9 and 11-20.



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