



KMLZ VAT NEWSLETTER

Customs administration publishes schedule for the reassessment of customs authorizations

1. Background

The UCC entered into force on 01.05.2016. As a consequence, many requirements for customs authorizations were changed. Prior to the UCC entering into force, the customs administration had issued continuous authorizations based on the current applicable law. These authorizations are based on the Community Customs Code and essentially continued to apply even after the UCC entered into force. The new law, however, provides for these so-called existing authorizations to be legally reassessed, on the basis of the new law, prior to 01.05.2019. For a long time, it was unclear how the customs administration would manage this issue. The recently published schedule provides for the following:

Reassessment of customs authorizations

Since the Union Customs Code entered into force on 01.05.2016, the requirements for customs authorizations have changed. Continuous authorizations, which were granted prior to 01.05.2016, must now be adapted to the new legal situation within a transitional period, that is, prior to 01.05.2019. For a long time it was unclear how the customs administration would manage this issue. In the meantime, it has published more detailed information on its website as regards the procedure for the reassessment of so-called existing authorizations.

2. Division into authorization groups

The customs administration divides the existing authorizations, which were granted for an unlimited time prior to 01.05.2016, into two groups:

Group 1

This group comprises all authorizations to which, according to the UCC, other requirements apply than has previously been the case. These authorizations, however, will basically continue, to a comparable extent. This applies, in particular, to the authorizations for the AEO, different forms of the clearance procedure, different simplified notification procedures, authorized exporters and the deferment of payment.

Group 2

Group 2 includes all of the continuous existing authorizations providing advantages, which will cease to exist at the conclusion of the transitional period on 30.04.2019. These include the authorizations of the customs warehousing procedure Types A, B, C, D and E, the temporary storage and the clearance procedure on behalf of third parties.



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3. Timescale

The customs administration intends to complete the reassessment of Group 1 authorizations by 30.04.2019. Group 2 authorizations will presumably be reassessed by 01.05.2019. In this regard, the holders of the authorizations will be contacted by their competent main customs office by the middle of May 2017 and informed about the process. The holders of the authorizations will also be informed about their obligation to cooperate and the documents to be filed.

The results of this reassessment will be forwarded by the competent main customs office to the individual authorization holders. Presumably, this will not happen before the end of 2018. Existing continuous authorizations will remain valid until the conclusion of the proceedings. Through the formal conclusion of the reassessment of Group 2 authorizations, the customs administration will ensure that the advantages involved remain valid as long as possible.

4. Limited authorizations

Limited authorizations must be reapplied for by the end of their duration on 29.04.2019. As a rule, they will cease to exist as of 30.04.2019. If they are valid beyond 01.05.2019, they will be revoked by the competent main customs office as of 01.05.2019.

5. Tips for the practice

Holders of authorizations should not await receipt of the letter from their respective competent main customs office but rather make use of the remaining time to prepare their reassessment. The affected companies should now internally review the future requirements to be met for an authorization and possibly take the necessary measures to adapt.

The obligation to cooperate requires the preparation of a reassessment. If a company does not comply with this obligation, the customs administration will assume that it is not possible to determine the requirements to be met for an authorization in accordance with the UCC. In these circumstances, there is the risk that the authorization will be revoked.