



STATES OF JERSEY  
CUSTOMS & IMMIGRATION  
SERVICE

# A FAST-TRACK SYSTEM FOR IMPORTS BY CUSTOMS APPROVED TRADERS



**This information booklet has been produced by the Customs and Immigration Service to explain the effect on imported goods following the introduction of Jersey's Goods and Services Tax (GST) on 1st May 2008.**

**It is intended for the benefit of commercial and other regular and large-scale importers and shipping agents. It describes the measures being adopted by Customs for dealing with GST, the responsibilities of importers and the facilities that are available to them to assist the efficient clearance of goods under Customs control within the GST regime.**

# Introduction

All goods arriving in Jersey must be properly declared to the Customs and Immigration Service and, under normal circumstances, any revenue charges must be paid before the goods are released to importers.

With the introduction of Jersey's Goods and Services Tax (GST) on 1st May 2008, in addition to excise duties and other tariffs, imported goods will be subject also to GST at a rate of three per cent (3%) of their value at the time of import.

The GST on imports will be collected by the Customs Service on behalf of the Comptroller Income Tax.

Potentially this extra requirement could result in additional administrative delays in the clearance of goods at the ports.

However, in the interest of providing a fast and efficient service to importers and in keeping with the desire to simplify the administration and collection of GST, the Agent of the Impôts is offering to extend special 'fast-track' clearance procedures for qualifying importers.

Those businesses or individuals making regular or large-scale imports are invited to apply for Customs 'Approved Trader' status.

Currently, only 28 importers are Customs approved. These are mainly businesses dealing in excisable goods, such as alcohol and tobacco products. However, it is estimated that approximately 3,000 businesses and individuals could take advantage of the scheme.

Customs approved traders may take immediate possession of imported goods before making a declaration and paying revenue charges. They have a 30 days period of grace in which to make their declarations and to pay any customs and excise duties and GST online.

An additional advantage for Customs approved traders who are also registered for GST is that they will **not** be required to make an Import Declaration or pay GST at the time of import; they will simply need to record the total GST-exclusive value of their imports on their quarterly GST returns, saving them administrative time and benefiting their cash-flow situation.

It should be stressed that the scheme is based on trust. Persons taking advantage of the scheme will have to sign an undertaking to meet the requirements listed under the heading '**Terms and Conditions**' below and any abuses of the scheme will result in a withdrawal of the facility and possible penalties, including prosecution.

Proper records will have to be kept for a period of at least six years and these will be audited by Customs and Income Tax officers at regular intervals. (See the Income Tax Office's public information booklets '**GST: Books and records to be kept**' and '**GST: Visits by Tax officers**').

It is important to recognise that registration for GST with the Income Tax Office does not confer automatic Customs approved trader status. A separate application to the Customs Service must be made.

Details of how to apply for Customs approved trader status are included below under the heading 'How to apply.' Acceptance of applications will be at the discretion of the Agent of the Impôts.

**Important note: Existing Customs approved traders must re-register with the Agent of the Impôts if they wish to continue to enjoy current facilities and dispensations after 1st May 2008.**

# Categories of Customs Approved Traders

It is proposed to approve seven categories of Customs approved traders:

- **General importer** for those importing general merchandise that is not subject to excise duties.
- **Excise importer** for those importing excisable goods such as alcohol and tobacco products.
- **Excise producer** for those licensed producers of wines, cider, beer, spirits and tobacco products within Jersey.
- **Household removal importer** for those importing the personal effects of clients for commercial gain - e.g. during house removals.
- **Fuel importer** for those importing hydrocarbon oil products.
- **Relief trader** for those non GST registered businesses involved with temporary imports.
- **Bond operator** for those businesses that hold goods in a bonded facility.

It should be noted that one business may apply for more than one category of approved trader status according to their individual business requirements.

## Terms and conditions

Businesses and individuals wishing to apply for Customs-approved trader status must be able to demonstrate that they are regular or large-scale importers and that they have the facility to make on-line declarations and payments by BACS or debit card. (Other forms of payment will require the agreement of the Agent of the Impôts).

Applicants will be required to agree to undertakings which may include the following:

- To properly declare on-line all goods within 30 days of importation (unless registered with the Income Tax Office as a GST taxable person and the import is liable only to GST).
- To pay customs and excise duties on-line within 30 days of importation.
- To pay GST within 30 days of importation (unless registered with the Income Tax Office as a GST taxable person).
- 4 • To ensure all persons authorised to make import declarations on behalf of the approved trader are adequately trained to do so.
- To provide a copy of the undertakings to all relevant staff.
- To maintain proper records.
- To notify Customs in the event of imported goods being found to be prohibited or restricted, or suspected to be so.
- To agree to authorise the disclosure of relevant records by the suppliers of goods to the approved trader.

**The granting of Customs-approval is entirely at the discretion of the Agent of the Impôts. Any abuses will result in withdrawal from the scheme and could attract a fine.**

## How to apply

The Customs computer system CAESAR (Customs and Excise System for the Administration of Revenue) will, in future, automatically recognise regular importers and issue invitations to join the scheme and all businesses registering with the Income Tax Office for GST will receive a similar invitation. However, any regular or large-scale importer may apply at any time for Customs approved trader status, whether or not they receive an invitation.

**GST registered businesses will have to make a separate application to the Agent of the Impôts to become a Customs approved trader and existing Customs approved traders will have to make a new application.**

An initial request for consideration for Customs approved trader status should be made via the States of Jersey website [www.gov.je](http://www.gov.je) from where applicants will be directed to the Customs approved trader registration page, where they will be asked to complete basic details on-line.

Following this applicants will be contacted by the Customs and Immigration Service when they will be asked to select and complete, on line, an undertaking specific to individual business requirements. They will be notified of acceptance and an approved trader number will be issued, which should be used in future correspondence and transactions.

## Frequently asked questions

**Q. Are all imported goods liable to GST?**

A. Yes. The GST legislation imposes GST on all goods arriving in Jersey, except in a few cases where relief is may be given.

**Q. Will there be any difference between goods imported by post and those brought in as freight?**

A. No. Parcels will be deemed to be the same as freight received at the docks or airport and both will be subject to Customs controls.

**Q. Will GST be payable as well as other customs and excise duties (such as the duties on alcohol and tobacco products)?**

A. Yes. For the purposes of GST, the value of a consignment includes the cost of packaging, freighting and insurance plus any duties. GST will be charged on the whole value pertaining at the time of import.

**Q. Will there be a concession for low value consignments?**

A. There is a *de minimis* value of £12 of duties and GST on a single consignment at or below which charges may be waived at the discretion of the Agent of the Impôts. If the duties and GST total more than £12, the whole amount will be charged. If a consignment is made up of a number of items and the collective amount of duties and GST is above the *de minimis* limit, the duties and GST will be levied as though the consignment were a single item.

**Q. Can I apply for Customs-approved trader status if I am a private importer?**

A. The Customs-approved trader scheme is available to private importers, providing they can demonstrate that they make regular or large-scale imports and are able to make declarations and payments on-line.

**Q. What can I do if I do not have a computer?**

A. You can use any public-use computer to make a declaration. Alternatively you can visit the Customs Office at Maritime House, La Route Port Elizabeth, St Helier, during office hours, where Customs staff can assist you to make your electronic declaration if necessary.

**Q. Can someone else make an import declaration on my behalf?**

A. Yes. There will be a facility for Customs-approved clearance agents to act on behalf of other parties.

**Q. Can I reclaim GST if I return goods?**

A. There is a proposed relief from duties and GST for goods that are sent off Island for repair or exchange, subject to satisfactory documentary evidence. However, unless you are registered with the Income Tax Office for GST purposes, once you have imported an item you cannot reclaim the GST. For example, if you order 12 items from overseas and later return ten of the items as unwanted, you will not be able to reclaim the GST you have paid.

A separate information booklet '**A guide for private importers**' has been produced by the Customs Service for the benefit of the general public. This can be viewed on the States website [www.gov.je](http://www.gov.je) or is available as a hard copy from:

The Customer Service Centre,  
Cyril Le Marquand House,  
The Parade,  
St Helier,

or from:-

The Customs and Immigration Service,  
Maritime House,  
La Route Port Elizabeth,  
St Helier.

## How can I find out more about GST?

Copies of the Goods and Services Tax (Jersey) Law, 2007 and the GST Regulations can be found on the States website [www.gov.je](http://www.gov.je) and will be available for inspection at the States Bookshop, the Customer Service Centre at Cyril Le Marquand House in The Parade, St Helier and the Public Library.

If you have any queries or concerns relating to Customs matters, you should contact Customs at [customs.gst@gov.je](mailto:customs.gst@gov.je)

The States of Jersey Income Tax Office has also published a series of information leaflets to assist the business community and the general public.

These can be viewed on the States website or obtained from the Customer Service Centre at Cyril Le Marquand House.

A dedicated GST Help Desk has been established also to deal with domestic GST enquiries. Helpline officers can provide general advice and guidance, or arrange for your enquiry to be answered by a GST specialist. They can be contacted by telephone on 440555 during office hours, by fax on 737978, by e-mail [gst@gov.je](mailto:gst@gov.je), or you can write to:

The GST Help Desk,  
Income Tax Office,  
Cyril Le Marquand House,  
P.O. Box 56,  
The Parade,  
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