

## News Flash



HMRC have published a revised set of 'triggers' that will force a Trader to apply for a new Authorisation under the terms of the Union Customs Code (UCC).

These revised triggers have been created in response to:

- Pressure from Trade
- A joint wish from HMRC and Trade to extend the effective transition period for existing Authorisations until the terms of BREXIT are known.
- The need to prevent Trade having to undertake significant changes to processes and systems in the next few months and then to have to make significant changes again at the time of BREXIT.
- The need to remain within the legislative framework of the UCC.
- A commitment to facilitate international trade where possible.

The new triggers go some way to achieving this for Traders who are compliant or who hold AEO certification.

By publishing these new 'triggers' HMRC has eased the criteria which will force a Trader to apply for a new Authorisation under the UCC before his/her existing Authorisation expires.

The changes to the 'triggers' do not extend current Authorisations beyond their stated expiry date. Traders will still need to apply for a new Authorisation under the UCC at least two months before their current Authorisation expires if they wish to continue using the procedure.

The new triggers are effective immediately and are as follows:

### Customs warehousing

A new authorisation will be needed if the holder wishes to undertake 'retail sales' unless they're compliant or an Authorised Economic Operator (AEO).

### Inward processing

A new authorisation will be needed if the holder wishes to divert some of the goods they import to inward processing to 'free circulation', instead of re-exporting them, unless they're compliant or an AEO.

## **All authorisations**

**A change to legal entity will need a new authorisation. Changes to the software supplier will also need a new authorisation.**

**If the change to the software supplier is minor in nature a new authorisation won't be necessary if the holder is compliant or an AEO.**

**However, changes to Customs Freight Simplified Procedures or customs warehousing software (change of supplier and/or software package) will result in a trigger.**

**A new authorisation will not be needed for a change:**

- **of name (that doesn't change the legal entity)**
- **of telephone number**
- **of address**
- **of directors (where this doesn't substantially impact on the authorisation, for example head office moves or doesn't affect compliance history, solvency or guarantees)**
- **to software to address mandatory rules or control issues**
- **of representation status**

## **Move of approved premises**

**A new authorisation will be needed but, this won't be necessary if the holder of the authorisation is compliant or an AEO.**

## **Prohibited and restricted, and licensed goods checks**

**A new authorisation will be needed where prohibited and restricted and licensed goods are involved. Large Business or Individual and Small Business Compliance will need to carry out a desk audit or visit to make sure the authorised company is compliant or aware of the rules in respect of the goods.**

## **All special procedures (additional products added)**

**A new authorisation will be needed if changes are made to the first 4 digits of the commodity code.**

**This is true for:**

- **Inward Processing Relief, Outward Processing Relief and warehousing procedures**
- **end-use, where a new authorisation will be needed for 8 digit changes to the commodity code**

**An authorisation won't be needed if the holder has a good compliance history or they're AEO authorised.**

**A new authorisation will be needed if changes mean that an economic test is required, and the goods are subject to anti-dumping duty.**

## **Changes to customs procedure codes**

**A new authorisation will be needed, but this will not be necessary if the holder of the authorisation is compliant or an AEO.**

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**Need help? Contact us:**

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