



Customs Flash

Belgium

Declarations for sister companies: Registration as customs representative required

Introduction

Customs authorities have abandoned the tolerance previously accorded to carrying out customs formalities on behalf of a sister company without registering as a customs representative. Where Customs had evidence of such practices taking place within a company, a request was formulated to register without delay as a customs representative.

Facts

Article 127 of the General Law concerning Customs and Excises (GLCE) stipulates that only the customs representatives are allowed to represent a third party before the administration in the context of imports, exports or transits. The customs representatives have to be registered as such.

Following said article, importers or exporters do not have to be registered as customs representative, as long as they only declare their own goods and thus do not represent third parties.

Until recently, it was always admitted by Belgian Customs that an entity acting as declarant for group entities such as sister companies were not obliged to register as customs representative.

A Royal Decree dated 13 March 2016, repealing an old Decree of 1971, implements article 127 GLCE by establishing the conditions for registration as a customs representative.

On the occasion of the entry into force of the above Royal Decree on 1 May 2016, the tolerance that was granted for group entities was lifted. This means that everyone carrying out customs formalities and, notably, filing customs declarations on behalf of another legal entity – even a parent company – is expected to engage in the registration for customs representation purposes.

What does it mean for you?

For companies that are effectively filing customs declarations on behalf of sister/parent companies without being registered as customs representatives, it will be necessary to register in this capacity in order to continue filing the concerned declarations. Note that the registration as a customs representative entails complementary administrative obligations, such as holding a specific register or using stamps.

As an alternative to registration, the decision could be taken to delegate the filing of those declarations to a third party service provider registered as a customs representative, although this option would probably result in an additional cost.

What to do?

The registration process for becoming a customs representative consists of providing customs authorities with specific information about a company. Additionally, the necessary competences and professionalism should be demonstrated. Since recognised customs representatives have to keep a specific register, some adaptations to trade management systems may also be required.

Deloitte's Customs and Global Trade (CGT) team can analyse these changes and inform on how they could impact business. Eventually, the team can assist with preparations for requesting the registration as a customs representative, as well as with preparing the administration for the fulfilment of additional requirements resulting from this registration.

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