

Tax & Legal Weekly Alert

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The EU alarm signal on computation of goods origin

Almost 40% of EU exporters face difficulties in performing computation of goods origin and 70% have difficulties in obtaining the supplier declaration, shows a study performed by the European Commission in 2018 on origin rules application at exporter level.

Romania risks new infringement: European Commission requests amendment of national law regarding customs debt

The European Commission decided last week to send Romania a letter of delay for requesting law amendment related to customs debt, the stage preceding the infringement procedure.



The EU alarm signal on computation of goods origin

The answers received from EU exporters from different fields of activity, upon an EU Commission survey, shows several factors that may influence the use of tariff preferences regulated by the free trade agreements concluded between the EU and its partners.

- 37% of the respondents found rules of origin a burdensome (based on various criteria) requirement when exporting under EU FTAs.
- 44% replied that they would need more explanation on product specific rules and provided several suggestions how to improve the available information (e.g. practical examples, glossary, information in mother tongue and easier access to legal texts).
- 70 % declared that they have mainly difficulties to obtain supplier declarations and face problems with procedural requirements before exporting
- 47% of the respondents are aware of the possibility to request Binding tariff information, 19% know about Binding Origin Information but do not use it, 22% are not aware but would be interested to use it.

Given the unwanted implications of an erroneous origin computation (rejection of the origin proof by importing country), we recommend you to ensure that your origin computation is accurate. Also, we recommend in using the means of securing the origin computation provided by the EU legislation (obtaining of Binding Origin Information from customs authorities).

Romania risks new infringement: European Commission requests amendment of national law regarding customs debt

The Romanian Customs Law provides that the customs debt may be communicated to the debtor up to five years from the moment when it was born, regardless of whether it is the result of a criminal act. The provision is not in line with the European customs rules, which provides three years at the disposal of the customs authorities to communicate a debt to the debtor. The exception is where the customs debt arises as a result of a criminal offense, the customs authorities have ten years to communicate.

This contrary provision to European customs legislation has been the subject of a long correspondence between taxpayers in Romania, national customs authorities and the European Commission, where Deloitte Romania has also been involved. Thus, it was enough for Romania to be required by an official letter to amend the domestic customs legislation, namely to reduce by two years the deadline for communicating an additional customs debt.

If Romania does not take action within the next two months, the Commission may provide a reasoned opinion on the infringement procedure.

If you have been subject to a post clearance customs control where you have been notified of a customs debt based on the 5-year term, we recommend that you investigate to what extent you would be entitled to claim a refund of part of the imposed amount.

For further questions regarding the aspects mentioned in this alert, please contact us.



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