

HMRC Customs Guarantees

The Duty Deferment Scheme & Customs Comprehensive Guarantee (CCG)



If you're a UK-based business, you may not need to pay customs duty or import VAT straightaway for goods you bring or receive into the UK or EU.

Importers may need an individual guarantee or [Customs Comprehensive Guarantee \(CCG\)](#) authorisation to enter goods into a customs procedure and defer duty.

The Duty Deferment Scheme

UK Customs permit importers to defer payment of their customs duty and import VAT liabilities until the 15th of the next month following physical import.

This enables goods to be cleared and delivered without being delayed pending payment. A duty deferment account is set up with Customs, subject to an agreed maximum limit – usually this is sufficient to cover a full month's customs duty and import VAT liabilities. No interest is charged by Customs, so in effect an importer obtains up to six weeks of positive cash flow.

You can use a CCG to cover multiple customs debts. You'll also need to get a guarantor to cover for the CCG amount in the form of a guarantee. The guarantee must be sufficient to cover two months of liability, because the limit in month two could be reached before payment is collected from month one.

How to set up a Duty Deferment Account

- ◆ [Apply](#) for a Customs Comprehensive Guarantee.
- ◆ Estimate the amount of debt to be covered by the guarantee. This will be your guarantee limit.
- ◆ For duty deferment, work out how much Customs Duty, excise duty and import VAT will be chargeable. You'll need to give a monthly estimate. This is known as 'actual debt'.
- ◆ For union or common transit, work out the maximum amount your CCG will need to cover.
- ◆ For goods under temporary storage or special procedures (like inward processing, temporary admission, or customs warehousing) work out the maximum amount of Customs Duty and excise duty that you'll need to cover.

These debts are not chargeable straight away and are known as 'potential debt'.

From acceptance of your application, it may take a few weeks for HMRC to confirm their decision. You will then need to provide proof of the required securities in the form of a [financial guarantee form CCG2](#) from an approved guarantor; most banks and insurance companies have approval to act as a guarantor. The guarantee will cover two months of exposure, so will be double the amount of the calculated duty amount.

Your HSBC Guarantee application can be submitted via HSBCnet or by using the application form located on our website.

Authorised Economic Operator for Customs (AEOC)

- ◆ You can only get a duty deferment reduction/waiver if your business is an Authorised Economic Operator for Customs (AEOC).
- ◆ If you have AEOC status, the level of guarantee your guarantor needs to provide for customs duty covered by your duty deferment account is reduced to 30% of the duty amount.

Contact us

Contact your HSBC Relationship Manager or Global Trade and Receivables Finance specialist today.

Click <http://www.business.hsbc.uk/en-gb/imports-and-exports>

Call 0207 200 1467 (lines open Monday to Friday, 09:00 to 17:00 hrs)

Email clientservice.gtees@hsbc.com

© Copyright HSBC UK Bank plc 2022. All rights reserved. No part of this document may be reproduced, stored, distributed or transmitted in any form without the prior written permission of HSBC UK Bank plc.

This document is issued by HSBC UK Bank plc (HSBC) and is intended for reference and illustrative purposes only. It does not constitute an offer or advice for you to purchase from or otherwise enter into a transaction with HSBC or any of its subsidiaries or affiliates.

The information contained in this document may include information from third parties who HSBC believe to be reliable but such information will not have been independently verified by HSBC. All information contained in this document (including without limitation, information about products, terms and conditions, pricing, forecasts, market influences and HSBC policy) is subject to change from time to time without any obligation on HSBC to give notice of such change to you.

Whilst HSBC will try to ensure that the information in this document is current, accurate and complete at the date of publication, it cannot guarantee this and therefore it makes no representation (express or implied) about the currency, accuracy or completeness of that information. HSBC cannot accept liability for any direct, indirect or consequential losses arising from the use of or the reliance on the information contained in this document by any person and such liability is excluded to the maximum extent permitted by law. You are responsible for making your own evaluation about the products referred to in this document. HSBC recommends that before you make any decision or take any action that might affect you or your business, you consult with suitably qualified professional advisers to obtain the appropriate financial, legal, accounting, tax or other advice.

HSBC is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. However, HSBC may not be authorised by the Prudential Regulation Authority or regulated by the Financial Conduct Authority or the Prudential Regulation Authority for specific products referred to in this document. HSBC will provide you details about the extent of its authorisation and regulation by those authorities, on request. AC59191 03/22

- ◆ If you want to apply for a full waiver reducing the amount your guarantor needs to provide for your potential debt to 0% you must include your AEO details on your CCG authorisation application.
- ◆ Check if [AEOC](#) status could benefit you.

Guarantee Waiver for Duty Deferment Account

You can apply for a guarantee waiver for your [duty deferment account in Great Britain](#). This will allow most businesses to open a duty deferment account without needing to provide a guarantee or cancel their guarantee if they have a duty deferment account already.

If you are not approved for a guarantee waiver, HMRC will tell you if you can use duty deferment by providing an individual guarantee or a CCG.

Find out more about if you're eligible to apply for a [guarantee waiver](#).

The information contained herewith is subject to change without notice from HMRC.

