

CUSTOMS DECLARATION SERVICE (CDS)

Introduction to CDS

UK import and export customs declarations are currently processed via the HMRC CHIEF system. CHIEF no longer meets the requirements of the UCC regulations under which HMRC operates, nor does it provide a platform on which HMRC can manage the expected increase in the number and complexity of customs entries in the coming years. As a result, HMRC has developed the Customs Declaration Service (CDS) as a replacement and CHIEF will be switched off on the following dates, after which entries can only be submitted via CDS :

30th September 2022 - Imports

31st March 2023 – Exports

What you must do now

You will be required to take some action now to ensure that your entries can be cleared without delay after 30th September, as well as to provide us with some additional information that must appear on your entries.

We will need the attached CDS Information Sheet completed and returned to us before we are able to process entries on your behalf via CDS.

1) Apply for an EORI

All importers and exporters who have been active since 1st January 2021 should by now have a GB EORI number. For any that have yet to obtain one, this must be in place before you can take the next steps. Instructions on how to apply can be found on the following link :

[Get an EORI number: Apply for an EORI number - GOV.UK \(www.gov.uk\)](https://www.gov.uk/apply-for-an-eori)

2) Subscribe to CDS

You will need to register your business for CDS using your Government Gateway account. Written and webinar instructions can be found on the following links :

[Subscribe to the Customs Declaration Service - GOV.UK \(www.gov.uk\)](https://www.gov.uk/subscribe-to-the-customs-declaration-service)

[How to subscribe to the Customs Declaration Service - YouTube](https://www.youtube.com/watch?v=...)

Please note it will not be possible for entries to be processed for you via CDS until you have registered for this service

3) Set up a Direct Debit instruction for your Deferment account

If you have a Deferment account, you must set up a new Direct Debit via your Government Gateway account. CHIEF Direct Debits will not be valid for payments due on entries processed via CDS as HMRC is using separate bank accounts for each service.

Written and webinar instructions can be found on the following links :

[Set up a Direct Debit for a duty deferment account on the Customs Declaration Service - GOV.UK \(www.gov.uk\)](#)

[How to set up a Direct Debit instruction on the Customs Declaration Service \(one signature\) - YouTube](#)

[How to set up a Direct Debit instruction on the Customs Declaration Service \(multiple signatures\) - YouTube](#)

It is recommended that you do not cancel your CHIEF Direct Debit until after 15th December to ensure that HMRC can take payment for entries made via CHIEF during September, and for any subsequent adjustments that may need to be made.

Information : Additional payment methods

As well as payment via a Deferment account, you will also be able to pay HMRC by way of :

Cash Account (this replaces FAS – Flexible Accounting System). A Cash Account will automatically be created for you when you register for CDS

Immediate payment by BACS, CHAPS, online or telephone banking. Payment may be made by debit, corporate credit card or cheque.

Individual Guarantee – to cover customs duties for one-off or high value imports

General Guarantee Account - this allows you to provide multiple guarantees from the same account, and continue importing goods into the UK and pay a disputed amount later once agreed

Peters & May will continue to offer the use of our own Deferment account wherever possible for those who wish to take advantage of this service.

4) Authorise clearance agents to use your HMRC payment accounts

For Peters & May to use your Deferment account, or any other of the HMRC payment methods listed above, we must be authorised to do so, as well as being in receipt of your CCG details.

Any existing authorisations to use your Deferment account will no longer be valid, so it will be necessary for you to create new authorisations via the CDS Finance Dashboard.

Webinar instructions on how to do this can be found on the following link :

[How to set up a standing authority on the Customs Declaration Service - YouTube](#)

When setting up and using your deferment account, please note Peters & May's EORI number is:
GB314158972000

5) Notify suppliers regarding Incoterms on invoices

It is necessary to state Incoterms on a CDS import entry, and it is therefore imperative that these appear on your supplier's invoices if there is to be no delay whilst we wait for these to be amended.

These must include a place name where appropriate (eg. DAP London, not simply DAP)

Can you please send a reminder to your suppliers to reiterate that correct Incoterms must appear on all invoices and that import clearances cannot be processed against non-compliant documents.

6) Provide clearance agents with details of HMRC Authorisations

If you hold an authorisation with HMRC to use any special procedures, you will have received a letter from HMRC that provides the authorisation reference in CDS format.

This includes, but is not limited to :

Customs Warehousing
Inward Processing
Outward Processing
End-Use

We will require this information (via the attached Information Sheet) and would prefer to also receive a copy of your authorisation letter to enable us to adhere to the terms therein.

7) Complete the Valuation table

When completing a CDS import entry, it is necessary to indicate whether or not there are any factors that influence the value declared. The statements we must enter relate to the following questions :

- a) Is there a price influence as a result of a party relationship between the buyer and seller
- b) Are there restrictions as to the disposal or use of the goods by the buyer in accordance with Article 70(3)(a) of the Code ?
- c) Is the sale or price subject to some condition or consideration in accordance with Article 70(3)(b) of the Code ?
- d) Is the sale subject to an arrangement under which part of the proceeds of any subsequent resale, disposal or use accrues directly or indirectly to the seller?

Article 70 as referred to above can be found on the following link :

[Regulation \(EU\) No 952/2013 of the European Parliament and of the Council of 9 October 2013 laying down the Union Customs Code \(recast\) \(legislation.gov.uk\)](#)

8) Send your completed CDS Information Sheet to customs@petersandmay.com