

TSS User Guides

How to claim a customs duty waiver



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HM Revenue
& Customs



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If there are any words or acronyms in this document that you don't know, visit the [Jargon Buster](#) or use the search tool on the [Northern Ireland Customs & Trade \(NICTA\) website](#) to find a definition.

This guide looks at how traders can claim customs duty waivers in the form of de minimis aid from the UK government for movements into Northern Ireland (NI) to cover the cost of 'at risk' tariffs for Great Britain (GB) to NI movements, and how the Trader Support Service (TSS) enables them to do this.

1 Introduction

The United Kingdom (UK) signed a trade deal with the European Union (EU) at the end of 2020 that secured zero tariffs and zero quotas across all product lines. However, duty can still apply for goods moving from Great Britain (GB) into Northern Ireland (NI) that are deemed 'at risk' of moving into the EU if the goods cannot meet the origin requirements to benefit from the UK-EU Trade and Cooperation Agreement (the UK-EU TCA).

For instance, duties may need to be paid for goods moving from GB into NI if their final consumption or sale could occur in the EU. You can find out more about when tariffs are payable in the [Tariffs on goods movements into NI](#) guidance on NICTA.

The good news is that when a goods movement is deemed 'at risk' and duties are payable, you are entitled to claim a **customs duty waiver** (*see box below*) from the Government, covering the cost.

WHAT IS A...

Customs duty waiver: the term used on GOV.UK and in other public communications to describe the specific de minimis aid to cover the cost of 'at risk' tariffs for movements into NI from GB and the Rest of World excluding the European Union.

The claim of a customs duty waiver will be a form of **de minimis aid** (*see box below*). There are, however, limits to the amount of de minimis aid a national government can provide to its businesses.

WHAT IS...

De minimis aid: a small amount of government-provided aid that is unlikely to distort competition rules.



1.1 Who is this guide for?

The customs duty waiver on offer for 'at risk' goods movements is predominantly aimed at small or medium-sized traders, or those who only occasionally move goods into NI.

While larger traders can still claim a waiver, they are more likely to have used up their de minimis aid allowance already, outside of claiming a waiver for customs duty. Please refer to the [Customs duty waiver example](#) section of this guide.

2 Claiming customs duty waivers

2.1 Responsibility for claiming

The responsibility for applying for customs duty waivers falls on you, the trader. TSS supports you to claim a waiver for your goods movement into NI when you are completing your Supplementary Declaration. You can read more about this stage of the TSS process in the [Making a customs duty waiver claim in TSS](#) section of this guide.

2.2 When can you claim?

If goods are moved from GB into NI and there is a possibility that they may end up being sold or consumed within the EU later, they are deemed to be '**at risk**' and EU tariffs may apply.

You can see what the tariff rate for your goods will be, if they are deemed to be 'at risk' and are not covered by the terms of the EU-UK TCA, using the Northern Ireland Online Tariff tool on [GOV.UK](#).

However, you can claim a customs duty waiver to cover any tariffs paid. If you have not exceeded the de minimis aid allowances at the point your import declaration is submitted, you can claim a waiver for goods you bring into:

- NI from GB
- NI from countries outside of the UK and the EU – in this case you claim a waiver for the difference between the UK and the EU tariff, where the EU duty is higher. The Customs Declaration Service (CDS) will calculate this for you

You can also claim waivers for a shipment carrying a mix of both, goods moving to NI as an end-destination, and those which would be moving onwards for final sale or consumption in the EU (i.e., Ireland).

2.3 How to claim

You need to submit an import declaration each time you move goods into NI. You can claim a waiver for Customs Duty on your import declaration for goods movement into NI.



You can use the TSS to complete your declarations and claim a waiver for Customs Duty on your import declaration.

If you complete declarations yourself, you can use the [UK Trade Tariff: volume 3](#) on GOV.UK.

If you have underpaid customs duty on 'at risk' goods you can also claim a customs duty waiver to cover the outstanding customs duty by using the [Apply for a voluntary clearance amendment \(underpayment\) \(C2001\)](#) form on GOV.UK. You can do this by choosing the de minimis state aid option on the form.

If you have paid customs duty on 'at risk' goods in the past 3 years, you can [apply for a repayment using the customs duty waiver](#) by using form C285 on GOV.UK.

Refer to [GOV.UK](#) for further details on how to claim a waiver for duty.

2.4 Steps to follow before you can claim customs duty waivers

From 3 July 2023, HMRC introduced a new digital service for reporting and recording de minimis aid. You need to register your undertaking if you wish to continue to claim customs duty waivers on goods movements into NI from 30 September 2023 onwards.

From 30 September, **before you claim customs duty waivers** you will need to have:

- a) Subscribed to HMRC's online service so that you can register your undertaking. You can subscribe using your Government Gateway user ID on [GOV.UK](#)
- b) Registered your undertaking
- c) Declared which industry sector your undertaking is involved in
- d) Added details of the businesses within your undertaking to your account. **If you are in a VAT group, you should add all the businesses that are in that VAT group to your undertaking.** You will then be given an account reference number for your undertaking
- e) Reported all de minimis aid received in the current and last two tax years. For further details please refer to [The importance of record-keeping and reporting](#) in this guide

You will then be able to make a customs duty waiver claim on your import declaration through TSS.

For further guidance on claiming a customs duty waiver, refer to [GOV.UK](#).

2.5 Eligibility and de minimis aid allowances

2.5.1 Staying within de minimis aid allowances

Most businesses can claim up to a maximum of €300,000 of de minimis aid over three fiscal years, on a rolling basis – i.e., the current and two previous tax years. Different de minimis



aid allowances apply, depending on the type of business sector, and these are discussed in the [Business Sector Allowances](#) section of this guide.

The €300,000 allowance does not just cover customs duty waivers, but also any de minimis aid provided as subsidised contracts, loans or grants. You can view examples of the types of aid that could count towards your allowance in the [Appendix](#) of this guide.

If you are unsure whether an aid you claim is counted as de minimis aid, you should contact the provider of that aid.

Note: By claiming a waiver for customs duty, you are making a legal declaration that your claim will not result in you exceeding the allowance for your sector.

If your claim goes over the allowance for the sector that your business is in, you may be subject to recovery proceedings and may have to pay interest on the extra amount you have claimed.

2.5.2 Business sector allowances

Businesses can claim up to the maximum de minimis aid allowance **for their business sector** over a rolling **three tax-year period**, including customs and non-customs-related aid. This means that every time you get a new grant of de minimis aid you need to assess the total amount of de minimis aid granted in the current tax year and the previous two tax years.

Most businesses can claim up to a maximum of €300,000 of de minimis aid over the three tax-years period. However, there are lower allowances in the same period for businesses in the sectors of:

- **Agricultural primary production**, which have a maximum allowance of €20,000
- **Fisheries and aquaculture**, which have a maximum allowance of €30,000

If your business is involved in more than one sector, the lowest allowance will apply. Refer to [GOV.UK](#) for further information.

2.5.3 Processing and marketing agricultural products

If any business in your undertaking process and market agricultural products but are not involved in the primary production of them, this restriction does not apply. If you are not involved in any other sector that has a lower allowance, you are eligible for the general €300,000 limit over 3 tax years.

‘Processing of agricultural products’ means any action to an agricultural product that produces another agricultural product, such as making beer from hops and bread from wheat.

‘Marketing of agricultural products’ means holding or displaying products you are intending to sell or deliver or place on the market in any other way. The exceptions to this are the first



sale by a primary producer to resellers or processors and any activity preparing a product for the first sale.

A sale by a primary producer to final consumers is considered marketing if it takes place in separate premises for that purpose.

2.5.4 Definitions within the agricultural products sector

If any part of your business is involved in the **primary production of agricultural products**, you are eligible for a sector allowance of a maximum of €20,000 de minimis aid over three tax years.

- **Primary production of agricultural products** means the production of products listed in [Annex 1 to the Treaty of the Functioning of the European Union](#) (except fishery and aquaculture products), without any further changes to the nature of the products
- On-farm activities that are needed to prepare an animal or plant product for first sale are included in the definition of **primary production**. Examples of on-farm activities include:
 - Harvesting
 - Cutting and threshing of cereals
 - Packing eggs

2.5.5 Definitions within the fishery and aquaculture products sector

If any part of your business is involved in the **production, processing or marketing of fishery and aquaculture products**, a sector allowance of €30,000 de minimis aid over three tax years applies.

- A **fishery product** means aquatic organisms resulting from any fishing activity or products derived from them
- An **aquaculture product** means aquatic organisms at any stage of their life cycle resulting from any aquaculture activity or products derived from them
- **Processing and marketing** mean all operations, including handling, treatment, production and distribution performed between the time of landing or harvesting and the end-product stage

2.6 Making a customs duty waiver claim in TSS

Once you have completed the [Steps to follow before you can claim customs duty waivers described above](#), you can claim a customs duty waiver on 'at risk' goods via the TSS Portal, from within your Supplementary Declaration by:



1. Selecting the option ‘**Within subsidy limit and claiming waiver (NIAID)**’ in the **NI Additional Information Codes** field (at the consignment (header) level of the item)

2. Accessing the **Additional Information** tab (item level, bottom page) and clicking the **New** button

3. Inputting the code ‘**NIAID**’ into the **Additional Information Code** field

Do this for each goods item you wish to claim a customs duty waiver for.

For more information about completing your Supplementary Declarations, including information about each data field, refer to the [Supplementary Declarations: Step-by-Step guide](#) on NICTA.

3 The importance of record-keeping and reporting

3.1 HMRC’s new digital recording and reporting service for de minimis aid

From 3 July 2023, you must subscribe to HMRC’s new digital service for reporting and recording de minimis aid and register your undertaking if you wish to continue to claim customs duty waivers on goods movements into NI from 30 September 2023 onwards.

Any undertakings that were not registered on HMRC’s system by 30 September will not be able to continue to claim customs duty waivers through CDS (via TSS or otherwise) for all goods movements into NI, until their registration is complete.



For further information on reporting de minimis aid grants and how to view your allowances, refer to [GOV.UK](https://www.gov.uk).

3.2 Reporting de minimis aid

All customs duty waivers successfully claimed through TSS or other third parties will **automatically** be recorded into the new digital service through the CDS declaration records to count towards the undertaking's business sector's de minimis aid allowance.

However, you are required to report all the **de minimis state aid** outside of your claims for customs duty waivers using HMRC's online service.

If you do not record the de minimis aid already claimed, you may face penalties if you exceed your allowance by continuing to claim customs duty waivers. It is a UK Government requirement that you keep up-to-date and correct records of the de minimis aid you have successfully claimed for a period of up to ten years from your last claim.

If you are unsure whether the other state grants or allowances you have claimed are regarded as de minimis aid, you need to contact the providers for confirmation.

3.3 De minimis aid tracking

From 30 September 2023, HMRC will directly monitor all customs duty waiver claims against traders' de minimis aid allowances. If your claim goes over the allowance for the sector that your business is in, you may be subject to recovery proceedings and be required to pay interest on the extra amount you have claimed.

3.4 Customs duty waiver example

While claiming a customs duty waiver will reduce new and additional costs for moving 'at risk' goods from GB to NI, you may not want to claim a waiver every time you complete this movement. This is due to the limits on how much de minimis aid allowance you can claim over the three tax-year period.

For example, an NI business distributes cashmere jumpers from Cornwall across the island of Ireland. Typically, this business imports a batch of 150,000 jumpers every year and 60% of them end up in Ireland. The wholesale price of this jumper is £55 but there is a 2% tariff for any that are 'at risk' of entering the EU (i.e., Ireland). For the 90,000 jumpers which end up in Ireland, there is now a potential additional tariff cost of £99,000 per year.

The de minimis aid allowance is stipulated according to the industry the business is in. The trader can claim as much de minimis aid and as many times as they like, provided they remain within the de minimis aid allowance limit over a rolling three-year tax period. For this business that limit will be €300,000. The de minimis aid allowance could, in principle, be used up in the first year if the trader does not keep a firm grip on the claims made.



If we use the above example, a single product type is using £99,000 (and say the average exchange rate for the month is £1.00 = €1.15045) or €113,894.55 of de minimis aid per year. You would not be able to claim waivers for the same level of sales of cashmere jumpers into Ireland, as the total for this across three years would be €341,683.65, which would exceed the €300,000 allowance.

Whilst the trader can make as many de minimis aid claims as they like within the pertinent allowance limits, they may also wish to gauge which goods in their product range have the highest duties and how often they wish to claim, to ensure they keep within their specified limits.

For other options to reduce the payment of EU duties, refer to the [Tariffs on goods movements into NI](#) guide on NICTA.

4 I need to know more

If you need to find further information, the following resources are available. There is also a comprehensive set of guides on Supplementary Declarations on NICTA:

- [How to use the TSS Portal](#)
- [Data guide: TSS declaration data requirements](#)
- [Supplementary Declarations: Step-by-step guide](#)
- [Tariffs on goods movements into NI](#)
- [How to prepare for your Supplementary declarations](#) – video (1:06:50)
- [Tariffs on goods entering NI – what are your options?](#) – video (1:08:41)

For queries on completing your declarations or whether your declarations are ‘at risk’, you can consult the [TSS Contact Centre](#) for support on 0800 060 8888.

5 Changes to guidance and policy

Last updated February 2024.

February 2024: Updated to remove UKTS references.

January 2024: Updated to reflect the eligibility for de minimis aid – government aid which covers duties up to a certain limit for some goods, reducing costs for traders – and how it can be claimed.

December 2023: Updated to reflect GOV.UK updates associated with UKIMS and EORI, customs duty waiver allowance and TSS portal landing page changes.

October 2023: Updated to reflect current status of UK Trader Scheme (UKTS) and UK Internal Market Scheme (UKIMS) and removal of Print and Post (P&P) reference.



September 2023: Updated for the introduction of the new HMRC digital system for claiming a waiver on Customs Duty.

July 2023: Updated to reflect UK Internal Market Scheme (UKIMS) changes.

July 2022: Addition of section on changes to guidance and policy.

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6 Appendix: other de minimis aid examples

The following are examples of de minimis aid.

Traders should check with the authority that provided the aid to confirm whether it counts as de minimis aid. All de minimis aid should be included in the trader's assessment of the financial support that they have received and reported into the HMRC's digital service for reporting de minimis aid.

- State grants
- Interest rate relief
- Tax relief
- Tax credits
- State guarantees or holdings
- State provision of goods or services on preferential terms
- Direct subsidies
- Tax exemptions
- Preferential interest rates
- Guarantees of loans on especially favourable terms
- Acquisition of land or buildings either gratuitously or on favourable terms
- Provision of goods and services on preferential terms
- Indemnities against operating losses
- Reimbursement of costs in the event of success
- State guarantees, whether direct or indirect, to credit operations
- preferential re-discount rates
- Discount rates
- Dividend guarantees
- Preferential public ordering
- Reduction of, or exemption from, charges or taxes, including accelerated depreciation and the reduction of social contributions
- Deferred collection of fiscal or social contributions
- Assistance financed by special levies
- Capital transfers