

The State Customs Committee of Ukraine  
REGULATION “03” 01 1996 No. 1, Kyiv

**On the Procedure for Customs Clearance of Goods Imported into Ukraine by Economic Agents  
who are Entitled to Tax Concessions**

On the 1st of December, 1996, the Supreme Rada of Ukraine adopted the Law of Ukraine “On the Taxation of Goods that are Subject to Excise Duty”. This Law introduced amendments to the taxation of goods at the point of crossing the customs border of Ukraine. In relation to the introduction of amendments into the procedure of customs clearance of goods, imported into the customs territory of Ukraine by economic agents and according to Articles 25, 37 and 73 of the Customs Code of Ukraine,  
Order:

1. To adopt the Procedure of Customs Clearance (in addendum) for goods that are being imported into Ukraine by economic agents who are entitled to tax concessions.
2. The Information and Statistics Centre of the customs system (Sidorenko, V.F.) in coordination with the Customs Tariff Department (Sheyko, O.P.) shall develop a programme of information processing for Paragraphs 12, 20, 36, 45, 47 of the customs cargo declaration.
3. The Law Department (Rybalko, O.M.) shall implement the State registration of the present Regulation with the Ministry of Justice of Ukraine.
4. The Department of Customs Issues (Yaschuk, V.I.) shall distribute and provide information on the present Regulation to customs bodies and the mass media after its registration with the Ministry of Justice of Ukraine.
5. The Deputy Head of the State Customs Committee of Ukraine, Yegorov, O.B., shall review the implementation of the given Regulation.

Head of the State Customs Committee of Ukraine  
L. Derkach

Adopted by Order of the State  
Customs Committee of Ukraine No. 1  
dated 03.01.96.

### **Procedure for Customs Clearance of Goods Imported into Ukraine by Economic Agents who are Entitled to Tax Concessions**

In relation to changes in taxation of imported goods, introduced by the Law of Ukraine “On the Taxation of Goods that are Subject to Excise Duty”, the customs clearance of imported goods shall be carried out as follows:

1. Goods that are subject to excise duty and that are being imported into Ukraine by economic agents may cross the border for further consumption upon condition of the payment of customs duty, excise tax, value added tax and other duties and taxes, established by the current legislation of Ukraine. There are no concessions on the taxation of goods imported into Ukraine that are subject to excise tax.

2. Goods that are not subject to excise tax and that are being imported by economic agents who are entitled to tax concessions in accordance with Ukrainian legislation, shall clear customs, taking concessions on customs taxation and VAT into account, and shall cross the border for further utilisation under the following conditions:

a) on the day of customs registration, the importer shall submit to the customs authorities a report on the utilisation of goods that were registered by customs authorities with tax concessions provided for the previous import shipment;

b) in accordance with Article 73 of the Customs Code of Ukraine the importer shall declare the purpose of import and the intended use of the goods being imported into Ukraine and shall submit to the customs authorities a commitment to use the goods exclusively with the purpose required by the preferential taxation regime and within two weeks of the final use of the goods, shall submit a report on their utilisation.

The customs cargo declaration shall include the following:

- All taxes (duty, VAT) shall be indicated in column 47 and shall be marked by the letter “Ó”, which means that the tax is conditionally included (for example 20Ó, 27Ó and so on), the type of payment, irrespective of whether the agent is exempted from payment. The Information shall be included in the data base: but shall not be included in statistical reporting of customs payments.

The information on the amounts of tax calculated shall be provided to tax inspectorates with the address of the receiver of the goods and to the State Customs Committee immediately after the goods have been put on the market.

The information shall be provided in accordance with the following:

1. Consignee/importer. address, ZKPO Code (Column 8);
2. TN ZED Code of the product (Column 33);
3. Customs value of the product (Column 12);
4. The amount of tax concessions provided (Column 47), separately:
  - duty;
  - VAT.
5. Reference number of the customs cargo declaration;
6. Name and address of the tax inspectorate which shall receive the information (according to the location of the importer).

If an economic agent does not submit, to the customs authorities, a report on the utilisation of the goods that were registered by the customs authorities as receiving tax concessions, the preferential regime of tax registration of exports and imports for that economic agent shall be suspended the circumstances have been clarified and a decision has been made on the issue of holding the agent liable, if grounds for this are

available, in accordance with Article 119 of the Customs Code of Ukraine.