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PRE-IMPORTATION RULINGS SERVICE FOR TARIFF CLASSIFICATION AND CONCESSION APPLICABILITY

All importers and all manufacturers of excisable goods can apply to the New Zealand Customs Service for a ruling on the concession applicability or the classification of the goods.

What is a Customs ruling?

Importers and manufacturers can apply to the New Zealand Customs Service for a Customs ruling on the tariff (or excise) classification of their goods or on whether they are subject to a specified duty concession, which will ensure that the goods are cleared from Customs control based upon this decision.

A Customs ruling is given in writing and is valid throughout New Zealand for a period of up to three years from the date of issue. A Customs ruling can be used only by the principal who sought the ruling and applies only to the specific goods covered by the ruling.

How long does it take to get a Customs ruling?

The Customs Service aims to issue most rulings within 20 working days of having all the necessary information. A Customs ruling is based on all the information supplied by the applicant, so it is important that an applicant supplies full and correct information when requesting a ruling. If additional or different information becomes available at a later time, then a ruling may have to be amended.

What special provisions relate to rulings?

Given the important relationship between tariff, concession and excise rulings, and the level of tariff duty paid on importation, there are special provisions that relate to Customs rulings.

An importer who obtains a Customs ruling prior to importation can plan commercial activities with greater confidence, because even an amended ruling (which increases the duty liability) will not apply in the following circumstances (as set out in section 124 (3) of the Customs and Excise Act 1996):

(a) where the goods are imported within three months of the date notice of the amendment is given, pursuant to a binding contract entered into before that date; or

- (b) where the goods have left the place of manufacture or warehouse in the country from which they are being exported for direct shipment to New Zealand at the date notice of the amendment of the ruling is given; or
- (c) where the goods are imported on or before the date notice of the amendment is given but have not been entered for home consumption.

This undertaking can only be given by the New Zealand Customs Service. No other organisation can provide such a guarantee.

How will my company benefit from a Customs ruling?

- **Upfront classification** – Your business decisions can be based on reliable, upfront information, because classification and/or concession issues are resolved prior to importation.
- **Uniform, binding decisions** – Customs rulings are issued in terms of section 120 of the Customs and Excise Act 1996 and will be honoured at all ports of entry within New Zealand, subject to the amendment and cessation provisions set out in section 124 and section 125 of that Act.

What does a Customs ruling cost?

A fee of \$40 (inclusive of GST) per good per ruling is charged.

What if I disagree with a ruling?

If an applicant for a Customs ruling on the concession applicability or classification of goods referred to in the written application disagrees with the Customs ruling issued, the applicant has the option of referring the case to the Customs Appeal Authority to investigate and decide the matter.

What is the role of the National Tariff Advisory Unit (NTAU)?

The NTAU has the sole responsibility for issuing Customs rulings covering tariff classification, concession applicability, and excise classification under section 120 of the Customs and Excise Act 1996. This specialist unit can assist you in all matters involving the Tariff and its interpretation.

How can I obtain more information on the Customs rulings service?

Contact the NTAU in Wellington – phone: 04-473 6099, fax: 04-499 7918, or email: ntau@customs.govt.nz

For further information, contact your nearest office of the New Zealand Customs Service, visit the Customs website www.customs.govt.nz, or call Customs on 0800-428 786.