

GUIDE TO TEMPORARY ADMISSIONS OF GOODS

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NEW ZEALAND
CUSTOMS SERVICE
TE MANA ĀRAI O AOTEAROA

Protecting
New Zealand's
Border

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1. Introduction

Goods imported to New Zealand on a temporary basis may be able to be imported without paying duty, including Goods and Services Tax (GST). This guide outlines the temporary imports requirements, including the categories of goods, and financial securities required.

Temporary imports generally only apply to goods that will be exported from New Zealand in the same condition as when they arrived. If any substantial changes in the goods is intended (e.g. through manufacturing or repair), additional requirements must be met.

While these provisions apply to all goods being temporarily imported, Customs encourages importers who are:

- GST registered with Inland Revenue, and
- importing low – medium value goods liable to GST only, and
- holders of a Customs deferred payment account, where the Customs charges are less than NZ\$500, to import these goods on an import entry (declaration) and offset GST payments to Customs as input credits on their GST return.

This is Customs' preferred approach as the importer:

- does not have to do the follow up work required to complete the temporary entry of goods, and
- has no additional costs, and
- is not restricted in their use of the goods, and
- is not required to re-export the goods within the specified timeframe.
- Customs also benefits, as there is no follow up work required if temporarily imported goods have not been re-exported within 12 months, or the agreed period.

2. Customs' clearance of goods imported temporarily

A temporary import entry (TIE) is a document which is used to gain Customs' clearance of goods imported into New Zealand on a temporary basis. It provides Customs information on the nature of the goods, the shipping information, who is importing the goods, who supplied the goods etc. The exceptions are:

- i. goods imported under a carnet (see 3.4)
- ii. household goods that arrive in New Zealand with the visitor – where they qualify for temporary importation without a financial security (see 3.5).

TIEs must be submitted electronically.

Customs will help private importers submit a temporary import entry, however, this service is not available for goods carried by travellers arriving at New Zealand's international airports.

A TIE should be obtained before arrival in New Zealand. If not, the goods will be held until a TIE has been submitted and finalised.

Commercial importers are required to submit their own TIEs – this service is provided by Customs brokers and freight forwarders.

3. Classes of goods that can qualify for temporary entry

3.1 General Information

Commercial or privately owned goods that can be clearly identified and traced entering and leaving New Zealand may qualify for temporary entry.

To qualify the goods must:

- i. be identifiable by their unique nature or a serial number or other unique identifying feature, and
- ii. not be offered for gift, sale, exchange or distribution in New Zealand, and
- iii. not be consumable items e.g. paints, lubricants, food products, clothing, medicines etc.
- iv. be in New Zealand for no more than 12 months, with the exception of long term restoration projects (refer to 3.6) which may take longer than 12 months, and yachts and small craft that may be here up to 24 months.

3.2 Yachts and small craft imported by visitors

Visitors to New Zealand may import a yacht or small craft without paying duty and GST or a financial security provided they meet **all** of the following criteria:

- they are a permanent resident of a country other than New Zealand
- the yacht or small craft will not be sold or offered for sale in New Zealand, or destroyed or given away without permission from Customs
- the yacht or small craft will not be used commercially for hire, transport of cargo or carrying passengers.

Note: the qualifying criteria may be extended, on a case by case basis, to craft used for charter, provided the charter work is less than 65 per cent of the vessel's time in New Zealand.

Yachts or small craft that meet the above criteria can be temporarily imported for up to two years.

If the requirements above are not met, Customs will require a financial security and the yacht or small craft must be exported within 12 months.

3.3 Goods imported in accordance with any treaty, agreement or arrangement

The New Zealand government has entered into a number of agreements that allow specific goods to be temporarily imported.

These agreements include goods covered by Customs Conventions for:

- goods imported for educational, scientific, cultural or humanitarian purposes
- tourist publicity material
- goods imported for sports
- containers, pallets, packing and samples
- the temporary import of:
 - animals
 - professional equipment and goods for display or use at exhibitions, fairs, meetings or similar events
 - road vehicles, private vessels and aircraft.

Other qualifying agreements are:

- the Trans-Pacific Strategic Economic Partnership Agreement – a regional trade agreement between Brunei Darussalam, Chile, New Zealand and Singapore.
- Inter-Governmental Agreements covering organisations, expeditions, visiting forces or other bodies that have been approved.

A TIE will need to be lodged to clear these goods if a carnet (see 3.4) is not presented.

Note: A financial security (see 4) to cover the duty and/or GST that would otherwise be payable on import may be required for goods temporarily imported under one of these agreements.

For further information about these agreements, please contact feedback@customs.govt.nz.

3.4 Carnets

Carnets are international customs documents that simplify customs procedures for the temporary import and export of goods, and incorporate an international guarantee. They are issued in the country the goods are first exported from, and are designed to enable Customs authorities in the exporting country to control the export and re-import of the goods. Carnets also enable Customs authorities in other countries to grant temporary entry and record when the goods are finally exported. They are valid for 12 months from the date of issue.

Carnets allow certain categories of goods to be imported temporarily free of duties and taxes. Where a carnet is accepted, there is no requirement to produce a financial security to Customs.

A carnet cannot be accepted in New Zealand for:

- goods imported for processing and repair
- goods imported for use or consumption in the manufacturing, commercial, industrial or agricultural sectors
- television advertising videotape and film
- goods that do not have unique identifiers or cannot be suitably permanently marked for identification purposes, for example, unmounted precious stones.

Two organisations in New Zealand issue carnets for goods being temporarily exported; the:

- Chamber of Commerce for items other than cars
- Automobile Association (AA) for cars.

Customs does not issue carnets.

If you're wanting to temporarily import goods into New Zealand on carnet, please contact your local Customs office/bureau and they will be able to give you the correct issuing organisation(s) contact details.

3.5 Household goods imported temporarily by visitors, including motor vehicles

Visitors who intend to import their goods for up to 12 months may bring the following items into New Zealand without paying duty and GST:

- cameras (still, video, and motion picture) a supply of film, tapes, and accessories
- binoculars
- musical instruments

- sound and video devices (e.g. tape recorders, CD players, mini disc players, DVD players, and dictating machines)
- portable radio receivers
- cellular or mobile telephones
- portable personal computers (laptops) and accessories
- baby carriages and strollers
- wheelchairs
- sporting equipment.

No TIE and financial security is required if Customs is satisfied that goods are for personal use only.

Visitors may also import a motor vehicle (including an attached trailer or caravan) without the payment of duty and/or GST if they intend to export it within 12 months and they hold a carnet (see 3.4).

If no carnet is presented, the vehicle can be cleared through Customs on a TIE and a financial security will be required (see 4) to cover the duty and/or GST that would otherwise have been payable when the motor vehicle was imported.

The security will be refunded when satisfactory evidence is presented that the goods have been exported within the stipulated timeframe, generally one year.

Note: Visitors' clothing, footwear, cosmetics, toiletries and jewellery can be imported free of duty and GST if they are for personal use.

3.6 Long term restoration projects

Projects that involve the restoration of imported items (e.g. planes) often import parts and/or accessories, and take longer than 1 year to complete.

Customs will consider allowing the goods for such a project to be imported under a TIE with a temporary import agreement (TIA) (see 4.3) as security.

We consider many factors and will request documentation to determine whether a TIE, with a TIA, is appropriate. For example:

- the value of the goods, and parts/accessories, being imported
- the length of time the work is projected to take
- the contract terms between the owner of the goods and the restorer – is there an agreed work schedule, agreed milestones, scheduled instalment payments etc.
- does the New Zealand company doing the restoration work have a proven track record?

In making its decision, Customs may approve the use of a TIE but with a different type of security (see 4.1 and 4.2).

If a TIE, regardless of security type, is approved for a long term restoration project the importer/restoration company will be required to provide progress reports at agreed intervals.

3.7 Other goods

Goods that do not fall into one of the above categories may still be accepted for temporary admission of up to 12 months with a financial security. This will be determined on a case by case basis in discussion with Customs.

4. Financial securities

There are three forms of security that may be used for temporary entry of goods. They are a:

- i. cash deposit
- ii. financial bond
- iii. temporary import approval and undertaking (TIA).

Cash deposits and financial bonds must be of sufficient value to cover any tariff duty and/or GST that would apply when the goods arrive in New Zealand. This is required in case the goods are not exported within the stipulated timeframe, or at all.

4.1 Cash deposit

Cash deposits are held in trust, and accumulate interest. When evidence is provided that the goods have been exported within 12 months, the cash deposit plus interest (less withholding tax), is returned to the importer.

Where goods that have been entered on a TIE are to be kept in New Zealand, an import entry must be lodged with Customs, and duty and/or GST paid. If a cash deposit was secured against the TIE, the importer can request this is paid toward the duty and GST that is due.

4.2 Financial bonds

A financial bond can be provided using form NZCS107. The bond will require a surety. Acceptable sureties can be obtained from New Zealand insurance companies and New Zealand registered banks.

4.3 Temporary import approval and undertaking (TIA)

A TIA is a written agreement between the importer and Customs. Application for a TIA is made on form NZCS 233A (single importation) or NZCS 233B (multiple shipments).

A TIA will generally be approved for goods imported in accordance with an agreement entered into by the New Zealand government, provided Customs does not consider the importer presents a risk of non-compliance with the conditions of a temporary entry. This risk is determined by a number of factors including:

- intelligence holdings
- importers' financial position including credit level
- the type of goods
- evidence that the goods have an overseas owner
- confirmation that the goods will be returned to the owner, or leave New Zealand
- evidence that the goods are insured
- whether the importer has a beneficial interest in the goods.

For other imports, a TIA will not generally be approved if the:

- i. importer has a history of non-compliance with Customs requirements.
- ii. importation is considered to present a risk of non-compliance.
- iii. importer is not a commercial entity.

A Customs broker or other agent acting with the authority of the importer may sign a TIA document on the importer's behalf provided the broker or agent understands their liability under section 395 of the Customs and Excise 2018 and has the financial capacity to cover the duty liability. If Customs' credit risk assessment of the broker or agent's financial capacity does not support a TIA as security for a temporary import the broker or agent must either:

- i. arrange for the asset or project owner to sign the TIA, subject to Customs' credit risk assessment, or
- ii. provide evidence of their legal authority to act as the agent for the asset owner i.e. that they are indemnified for the duty if it becomes payable, or
- iii. hold adequate professional indemnity (liability) insurance.

5. Extension of time for temporary entry

5.1 Goods entered using a temporary import entry (including yachts and small craft)

A TIE can be extended if:

- i. the request for extension is received in writing prior to the expiry of the temporary entry, and
- ii. there are compelling or unforeseen circumstances preventing the goods from being exported prior to the expiry of the temporary entry period.

Where extensions beyond 12 months are approved for commercial or industrial goods, duties are payable on depreciation accrued while the goods are in New Zealand. This is calculated from the time of import until the period of temporary entry is completed. The Inland Revenue straight-line depreciation method is used and the importer is responsible for ensuring that an Import entry is submitted to account for the duty and GST.

Given the length of temporary entry allowed for yachts and small craft (two years), a request for extension to that timeframe is only to be made in exceptional circumstances and will be considered on a case-by-case basis.

5.2 Carnets

Importers who wish to extend their carnet should approach Customs for approval. The importer will need to confirm that the extension has first been approved by the issuing body. The extended carnet is then presented to the Customs office where the original carnet was presented.

Note 5.1 in relation to duty and GST payable on depreciation, also applies to commercial or industrial goods entered on a carnet.

6. Exporting goods temporarily entered

6.1 Yachts and small craft departing under their own power

The electronic export entry giving permission for the departure of private yachts and small craft will be completed by Customs.

There are other border agency departure requirements for departing craft, and further information can be found on our [website](#).

6.2 Carnet

The carnet and shipping documentation is presented to Customs when the goods are shipped from New Zealand. A Customs officer will complete the re-exportation voucher of the carnet and generate an export delivery order or message which permits the goods to be loaded for export. This should be done at least 48 hours prior to the proposed departure of the goods. Evidence of shipment is required once the goods have departed.

Where goods are being carried with a passenger, a Customs officer will complete the carnet at the airport check-in counter. As 2-3 days prior notice is required, please contact Customs with flight departure information as soon as you can.

6.3 Other goods

The importer is required to submit an electronic export entry 48 hours before the goods are exported. Evidence of shipment must be provided once the goods have departed New Zealand.

If confirmation of the export of goods being carried through an international airport is required, arrangements to meet with Customs at check-in will need to be made, as detailed in 6.2 above.

Once evidence of shipment is received, or a Customs officer has confirmed the goods departed with the traveller, any financial security can be released. This may take a few days.

7. Fees

An import entry transaction fee of \$49.24 applies to the lodgement of a TIE, and a transaction fee of \$17.94 applies to an export entry.

No import or export transaction fees are payable for the temporary import and export of recreational yachts and small recreational craft. These craft have to pay the Border Clearance Levy for passengers and crew.

8. Technical information for Customs brokers and freight forwarders

Where the temporary import entry (TIE) is completed by a single export/import entry, the TIE number is to be recorded in the completion entry field on the export/import entry.

Where the TIE is completed by multiple export/import entries, the final export/import entry is to record the TIE number in the completion entry field. The other completing entry numbers are to be recorded in the miscellaneous remarks field.

9. Additional information

For further information, commercial clients are encouraged to contact their Customs broker or freight forwarder. Private importers may contact Customs at feedback@customs.govt.nz .