

# Impact of the new Union Customs Code (1 May 2016)



## Five questions a CFO should ask himself about the new Union Customs Code

Be prepared for the future which begins on 1 May 2016

1	Will I have to pay more import duties as of 1 May 2016?	
	Changes	<ul style="list-style-type: none"> <li>- New definition transactional value;</li> <li>- Royalties and license fees will become taxable;</li> <li>- 'First Sale for Export' principle will be abolished.</li> </ul>
	Impact	Possible higher customs value may lead to higher import duties and import VAT.
2	Will my customs guarantees increase?	
	Changes	Complete overhaul of the system of guarantees.
	Impact	Possible increase of customs guarantees with 1000%!
3	Will my customs authorizations change?	
	Changes	Almost every customs authorization will be subject to change and will be linked to the AEO-C conditions.
	Impact	Changes to and abolition of customs authorizations may have a financial and logistic impact.
4	What is the impact of the new definition of "exporter"?	
	Changes	The "exporter" will be the person who holds the contract with the addressee outside the EU and who has the power for determining that goods are to be brought outside the Union.
	Impact	If you can no longer act as an "exporter", it could affect your proof of the VAT exemption for export as well as your customs authorizations.
5	Will AEO become a must?	
	Changes	AEO is an important element throughout the whole Union Customs Code.
	Impact	AEO-C becomes a must for companies which hold customs authorizations and/or have customs guarantees.

## Contact



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