

Customs Alert: Dubai Customs Deposit Refund Claim service fees exemption

April 2021

Dubai Customs released <u>Notice no. 06/2021</u> on Customs Deposit Refund Claim service fees for Free Zone companies on 23 March and it came into force on 1 April 2021. The Tariff ad Origin Department at Dubai Customs will be the authority responsible for resolving any disputes related to the implementation of the Notice.

Amendments to Customs Deposit Refund Claim service charges

Before 1 April 2021, Dubai Free Zone companies were required to pay service fees to claim the Customs' Deposit Refund when their goods transit out of free zones to any destination, including other Dubai Free zones.

The most recent Notice exempts Free Zone companies from the service fee for claiming the Customs Deposit Refund for goods value less than AED 3,000 for the following declarations:

- Free Zone Transit Out Declaration
- Transit Between Dubai-Based Free Zones Declaration

For goods exceeding the value of AED 3000, regular service fees for Customs Deposit Refund Claims are applied.

The Notice also states that regardless of the value of goods exported, all Free Zone companies will have to follow the regular procedure to submit the Customs Deposit Refund Claims through the electronic channel.

Implications for businesses

Free Zone companies and e-commerce companies exporting goods through the Free Zone Transit Out Declaration and the Transit Between Dubai-Based Free Zones Declaration can benefit from this exemption and must re-organize their internal processes to comply with Dubai Customs requirements.

For more information on this topic or to learn more about KPMG's Trade & Customs Services in the Middle East, kindly contact our Trade & Customs team at KPMG.

Get in touch

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