
EXCEPTIONAL BUSINESS SUPPORT MEASURES AND PAYMENT FACILITIES

April 1, 2020

The customs administration provides for exceptional business support measures - Payment facilities to help economic operators through the health crisis: a broad scope and a remarkable action plan.

These measures have a very broad scope of application as they can :

- cover **all types of duties and taxes collected by the customs administration**, including customs duties, indirect taxes, internal consumption taxes, environmental taxes, etc.;
- **be of any kind**: payment by instalments, adjustment, deferred payment, suspension, etc.;
- cover several months (unlimited period at this stage);
- be **complementary to other measures** for deferring payment of a general nature (i.e. customs clearance procedures).

On the other hand, in order to benefit from these measures, operators must meet certain **formal and substantive conditions**:

- as regards **form**, the operator must send the customs local office in charge of collection the **form** provided for this purpose - we recommend also sending an **explanatory letter justifying the economic need to obtain these measures**, with supporting figures ;
- on the **substance**, the request must be motivated by a critical situation and proven financial difficulties.

Each application will be analyzed on a **case-by-case** basis by the customs authorities, which is quite exceptional and demonstrates remarkable adaptation.

Finally, we recommend that we should also "**take advantage**" of the confinement to consider **the implementation of optimization measures** that already exist but are not used enough despite the proposals of the administration, in particular:

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- the **benefit of suspensive customs procedures/reliefs** (storage, repair or transformation under suspension of duties and taxes for non-EU goods re-exported after these operations);
- the request for **reverse charge of VAT on imports** (cash flow gain);
- requests for **tariff suspension** (for cases of taxed imports when there is no supply in the EU);
- the benefit of **preferential origin** (reduced or zero customs duties) provided for in the Free Trade Agreements in force with certain countries (possible change of sourcing).



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Our areas of expertise are taxation and customs law.

We have a long-standing experience in direct taxation (i.e. corporate income tax), both national and international (i.e. double tax treaties, withholding tax, transfer pricing, etc.), but also in indirect taxation (i.e. VAT and indirect taxes), and customs law. Finally, we have also developed expertise in the field of excise duties (energy products, etc.) and environmental taxation (TGAP).

In all these areas, we combine our expertise in both advisory and litigation (in particular audit assistance, but also judicial or administrative litigation). We also handle legal issues related to our clients' national or international tax or customs operations.

We offer tax and customs content of the highest quality, taking into account above all the operational requirements of our clients.

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