

Customs Case Presentation

TARIC misclassification & Inward processing
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Malta

Malta & Customs

- Population of 518,000 with an area of 316km²
- Customs Building – operating since 1776



Incorrect Classification of Seaweed

- Three local economic operators with a shared pool of directors
- 28 customs declarations over a period of 3 years
- Officer at the boarder raised concern over potential misclassification
- Goods imported from China in shipments of traditional Asian ingredients to be sold at local Asian markets



TARIC Classification

SECTION II VEGETABLE PRODUCTS

CHAPTER 12 OIL SEEDS AND OLEAGINOUS FRUITS; MISCELLANEOUS GRAINS, SEEDS AND FRUIT; INDUSTRIAL OR MEDICINAL PLANTS; STRAW AND FODDER

- 1212
- Locust beans, seaweeds and other algae, sugar beet and sugar cane, fresh, chilled, frozen or dried, whether or not ground; fruit stones and kernels and other vegetable products (including unroasted chicory roots of the variety Cichorium intybus sativum) of a kind used primarily for human consumption, not elsewhere specified or included : (TN701)
- Seaweeds and other algae :
- 1212 21 ▼ - - Fit for human consumption

ERGA OMNES (ERGA OMNES 1011)

→|

Import control of organic products (01-01-2022 -)
(CD808)

R2306/21

Excluding: Switzerland (CH) , Iceland (IS) , Liechtenstein (LI) , Norway (NO)
[Show conditions]

→|

Third country duty (01-01-2012 -) : 0 %

R1006/11

TARIC Classification Continued

SECTION IV PREPARED FOODSTUFFS; BEVERAGES, SPIRITS AND VINEGAR; TOBACCO AND MANUFACTURED TOBACCO SUBSTITUTES; PRODUCTS, WHETHER OR NOT CONTAINING NICOTINE, INTENDED FOR INHALATION WITHOUT COMBUSTION; OTHER NICOTINE CONTAINING PRODUCTS INTENDED FOR THE INTAKE OF NICOTINE INTO THE HUMAN BODY

CHAPTER 20 PREPARATIONS OF VEGETABLES, FRUIT, NUTS OR OTHER PARTS OF PLANTS

2008 Fruit, nuts and other edible parts of plants, otherwise prepared or preserved, whether or not containing added sugar or other sweetening matter or spirit, not elsewhere specified or included : [\(TN701\)](#)

- Other, including mixtures other than those of subheading 2008 19 :

2008 99 - - Other : [\(TN107\)](#)

- - - Not containing added spirit :

- - - - Not containing added sugar :

2008 99 99 - - - - Other :

[2008 99 99 90](#) ▼ - - - - - Other

[ERGA OMNES \(ERGA OMNES 1011\)](#)



Import control of organic products (01-01-2022 -) (CD808)

Excluding: [Switzerland \(CH\)](#) , [Iceland \(IS\)](#) , [Liechtenstein \(LI\)](#) , [Norway \(NO\)](#)

[\[Show conditions\]](#)



Third country duty (01-07-2000 -) : **18.40 %**

Mutual Assistance leads to successful case

We provided:

1. Invoices
2. Container Number
3. Supplier & Product information

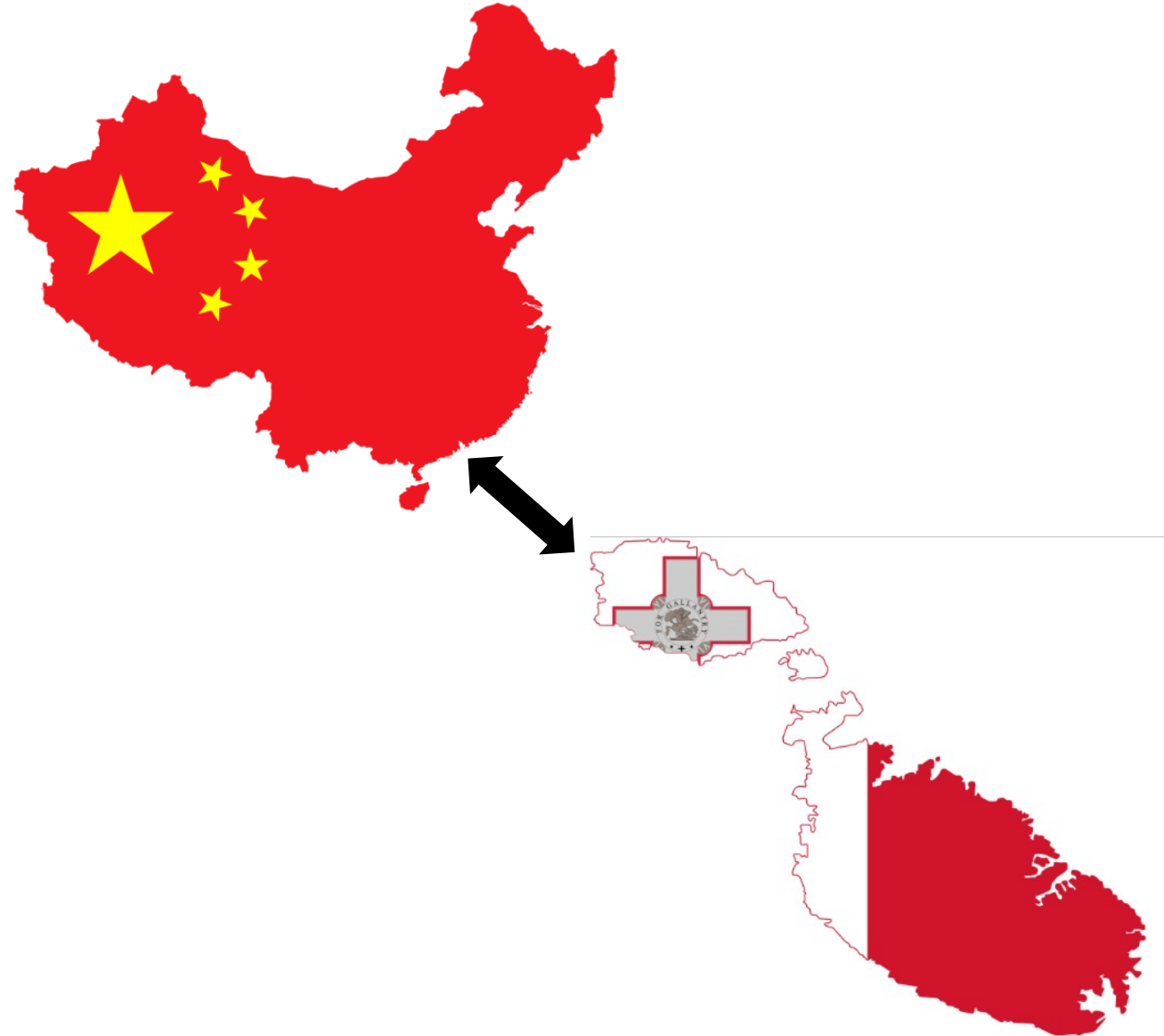
We got back:

The TARIC codes declared at Export in China

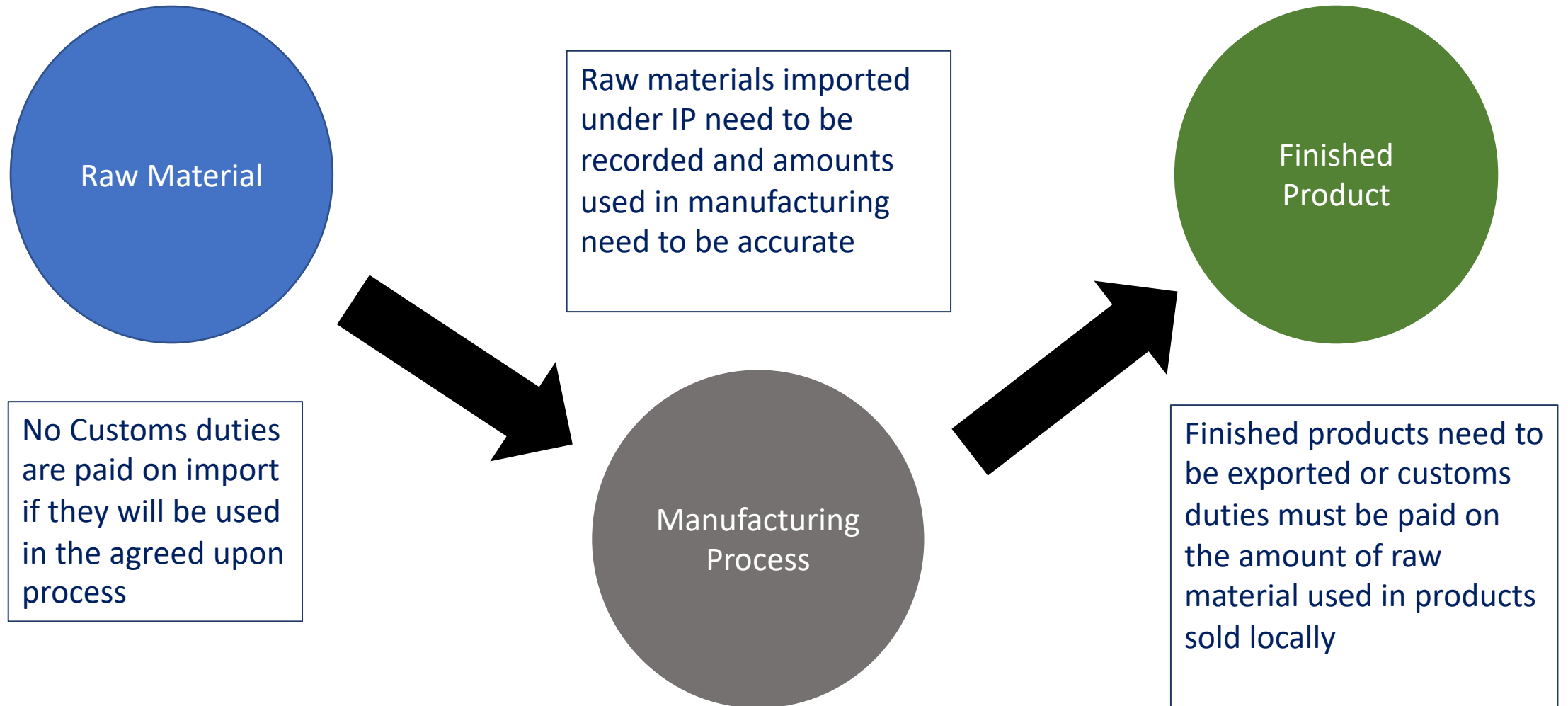
Result:

Confirmed our TARIC classification

Successfully recovered €355,000



Inward Processing Case



Inward Processing Case

Conducted a customs audit:

- Import declarations
- Invoices
- Production orders
- Export declarations
- Release into free circulation declarations

Found a discrepancy in country of origin declared, resulting in €32,000 in underpaid duty & €5,700 in underpaid VAT

Importer had an automated system that tracks the raw material based on who the supplier was but not the manufacturer

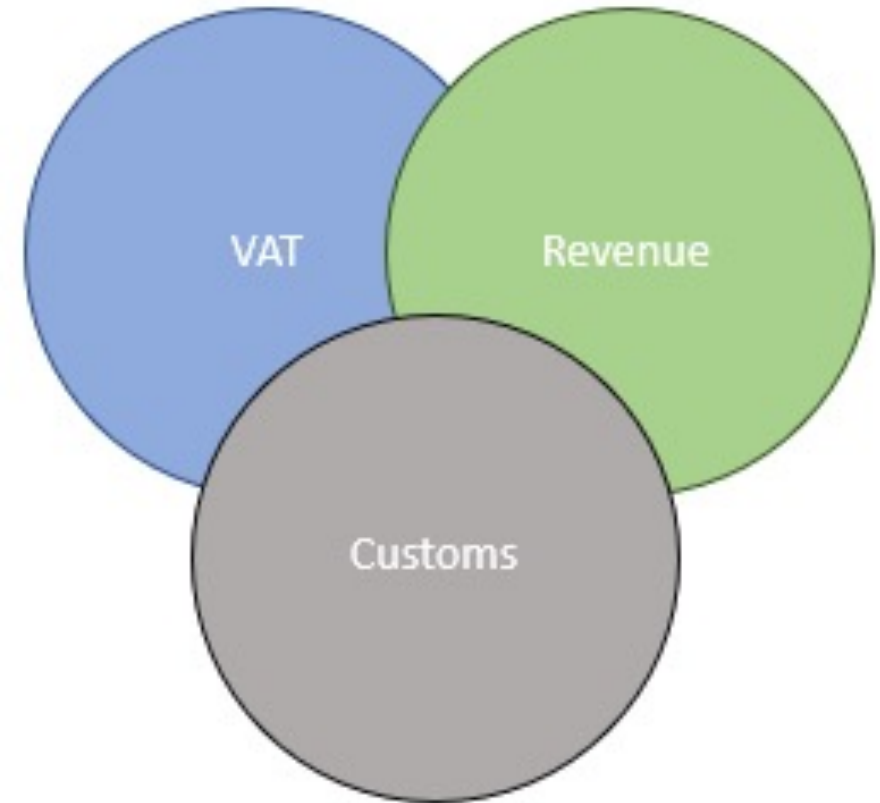
Manual entries had been declared correctly but automated entries were incorrect



Malta Tax and Customs Administration

New opportunities

- Consolidated databases
- Developing new tools for risk assessment using all available data
- New systems to generate intelligence using all data available



Thank You