



## CUSTOMS AND EXCISE MANAGEMENT ACT 1986

### EXCISE DUTY POINT (EXTERNAL AND INTERNAL COMMUNITY TRANSIT PROCEDURE) REGULATIONS 1998

*Laid before Tynwald* 28th April 1998

*Coming into operation* 25<sup>th</sup> February 1998

In exercise of the powers conferred on the Treasury by sections 107A, 107B and 143A of the Customs and Excise Management Act 1986<sup>(a)</sup> and all other powers enabling it in that behalf, the following Regulations are hereby made:

#### Citation and commencement

1. These Regulations may be cited as the Excise Duty Point (External and Internal Community Transit Procedure) Regulations 1998 and shall be deemed to have come into operation on 25<sup>th</sup> February 1998.

#### Interpretation

2. In these Regulations:

- (a) "Community Customs Code" means Council Regulation (EEC) No. 2913/92 dated 12 October 1992<sup>(b)</sup>;
- (b) "excise duty point" has the meaning given by section 143A of the Customs and Excise Management Act 1986;
- (c) "excise goods" means goods charged with excise duty by or under an enactment;
- (d) "external Community transit procedure" means the movement referred to in article 91 (2) at subparagraph (a) of the Community Customs Code, in respect of which articles 91 to 97 of that Code and articles 341 to 380 and 382 to 388 of the Implementing Regulation make provision;

<sup>(a)</sup> 1986 c.34, sections 107A and 107B were inserted by SD 296/91 and section 143A by SD 396/96.

<sup>(b)</sup> OJ L.302, 19.10.92, page 1; article 4 (7) was amended by Article 1 (2) (b) of the European Parliament and Council Regulation (EC) No. 82/97 dated 19 December 1996 (OJ L.17, 21.1.97, page 1).

- (e) "Implementing Regulation" means Commission Regulation (EEC) No. 2454/93 dated 2 July 1993<sup>(c)</sup>; and
- (f) "internal Community transit procedure" means the movement referred to in article 163 (2) at subparagraph (a) of the Community Customs Code, in respect of which article 163 (3) of that Code and article 381, and articles 382 to 388 of the Implementing Regulation make provision.

### **Non-application of the REDS Regulations to the external and internal Community transit procedure**

3. Regulations 4 to 6 and 8 to 11 of the Excise Goods (Holding, Movement, Warehousing and REDS) Regulations 1993<sup>(d)</sup> shall not apply in respect of excise goods which are subject to the external or internal Community transit procedure.

### **Excise duty point for breaches of the external Community transit procedure**

4. (1) Paragraph (2) applies if:
- (a) excise goods are subject to the external Community transit procedures; and
  - (b) in respect of those goods:
    - (i) a customs debt is incurred, as determined by article 203 or, in cases other than those referred to in that article, 204 of the Community Customs Code; and
    - (ii) the place where the events from which that customs debt arises occur is in the Island or United Kingdom, as determined by article 215 of that Code and article 378 of the Implementing Regulation.

(2) The excise duty point shall be the time, as determined by the article 203, or, as the case may be, article 204, specified by paragraph (1) (b) (i) and which govern the time of the incurrance of the customs debt, when the customs debt mentioned in that paragraph is incurred.

### **Excise duty point for breaches of the internal Community transit procedure**

5. (1) In this Regulation:
- (a) "action means any act or omission, in relation to the goods described in paragraph (2) (a) and to the performance and discharge of the obligation to present those goods to the office of destination designated for the particular

<sup>(c)</sup> OJ L.253, 11.10.93, page 1; relevant amendments are: article 368 was amended by article 1 (14) of Commission Regulation (EC) No. 3254/94 dated 19 December 1994 (OJ L.346, 31.12.94, page 1); the following articles were amended by articles (specified in the following brackets) of Commission Regulation (EC) No. 482/96 dated 19 March 1996 (OJ L.70, 20.3.96, page 4): 348 (1(8)), 356 (1(9)), 360 to 362 (1(10)), 368 (1(11)), 376 (1(12)) and 380 (1(13)); and article 361 was amended by article 1 of Council Regulation (EC) No. 2153/96 dated 25 October 1996 (OJ L.289, 12.11.96, page 1).

<sup>(d)</sup> SD 95/93.

- (b) any other person who, in relation to the excise goods that are the subject of the excise duty point, at any time in the period:
  - (i) starting with the charging of those goods with excise duty; and
  - (ii) ending with the incurrence of the customs debt specified by subparagraph (a),

brings about, or assists in bringing about, that customs debt.

- 7.
- (1) This regulation applies if there is an excise duty point by virtue of regulation 5.
  - (2) A person specified by subparagraph (a) or (b) of paragraph (3), having the specified connection with the excise goods, shall be liable to pay the excise duty relating to the excise duty point.
  - (3) For the purpose of paragraph (2), the person is:
    - (a) any person who, in respect of the particular internal Community transit procedure in relation to which there is an excise duty point by virtue of regulation 5, is the principal for that particular procedure, as governed by article 96 and article 163 (3) of the Community Customs Code;
    - (b) any other person who, in relation to the excise goods that are the subject of the excise duty point, at any time in the period:
      - (i) starting with the charging of those goods with excise duty; and
      - (ii) ending with the time of the occurrence of the action described by paragraph (2) (b) of regulation 5,

brings about, or assists in bringing about, that action.

8. Where more than one person is liable to pay the excise duty by virtue of regulation 6, or 7, each person shall be jointly and severally liable to pay the excise duty with the other person or, as the case may be, with each of the others.

### **Payment of the excise duty**

- 9.
- (1) The Treasury may require in writing a person liable to pay the excise duty by virtue of regulation 6, or 7, to pay that duty and, where it do so require, it shall specify in that written requirement the amount of duty that is to be paid.
  - (2) A person required in accordance with paragraph (1) to pay the excise duty shall pay immediately to the Treasury the amount of excise duty specified by it upon receipt by that person of the written requirement specifying that amount.

Made this

4<sup>th</sup> day of

March

1998



Minister for the Treasury

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**EXPLANATORY NOTE**  
(This note is not part of the Regulations)

**Purpose of the Regulations**

These Regulations come into operation with effect from 25<sup>th</sup> February 1998.

They provide for an excise duty point (ie the time when excise duty is payable by a person) in respect of excise goods subject to the external Community transit procedure where, because of a breach of that procedure, there is incurred in the Island or United Kingdom a customs debt (ie the Community customs duty charged on those goods becomes payable), by virtue of article 203 or 204 of the Community Customs Code (Council Regulation (EEC) No. 2913/92 of 12<sup>th</sup> October 1992 establishing the Community Customs Code: OJ L.302, 19.10.92, page 1).

The Regulations also provide for an excise duty point in respect of excise goods subject to the internal Community transit procedure where there are breaches of that procedure.

**Content of the Regulations**

Regulation 2 defines various terms and phrases used in the Regulations.

Regulation 3 disapplies specified regulations of the Excise Goods (Holding, Movement, Warehousing and REDS) Regulations 1993, including regulation 4 which establishes an excise duty point, similar to that provided by these Regulations, which applies in circumstances which are more limited than those dealt with by these Regulations.

Regulation 4 provides an excise duty point for breaches of the external Community transit procedure, while regulation 5 provides an excise duty point for breaches of the internal Community transit procedure.

Regulation 6 specifies the person liable to pay the excise duty in the case of a regulation 4 excise duty point, while regulation 7 specifies the person liable to pay the excise duty in the case of a regulation 5 excise duty point.

Regulation 8 provides that each of the persons who are liable to pay the excise duty by reason of an excise duty point, governed by regulation 4, or 5, shall be jointly and severally liable for the debt.

Regulation 9 governs the time when the person liable to pay the excise duty is required to pay that duty to the Treasury.