

1975 No. 1789**CUSTOMS AND EXCISE**
The Warehousing Regulations 1975

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Coming into Operation 1st January 1976

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The Commissioners of Customs and Excise, in exercise of the powers conferred on them by section 16(2) of the Finance (No. 2) Act 1975(a) and of all other powers enabling them in that behalf, hereby make the following Regulations:—

PART I

PRELIMINARY

Citation and commencement

1. These Regulations may be cited as the Warehousing Regulations 1975 and shall come into operation on 1st January 1976.

Interpretation

2.—(1) In these Regulations—

“the Act of 1952” means the Customs and Excise Act 1952(b);

“the Act of 1975” means the Finance (No. 2) Act 1975;

“customs duty” means any charge payable on imported goods other than excise duty and value added tax;

“excise duty” means any duty chargeable on goods under sections 9 to 15 of the Act of 1975;

“hydrocarbon oil”, “spirits” and “tobacco” have the same meanings as in section 307 of the Act of 1952;

“occupier”, “proper”, “proprietor” and “warehouse”, and “warehoused” and cognate expressions, have the same meanings as in section 307 of the Act of 1952;

“package” includes any bundle and any box, cask or other receptacle whatsoever;

“wine” and “made-wine” have the same meanings as in sections 14(5) and 15(6) respectively of the Act of 1975.

(2) Nothing in these Regulations shall affect the operation of the Tobacco Substitutes Regulations 1970(c).

(3) The Interpretation Act 1889(d) shall apply for the interpretation of these Regulations as it applies for the interpretation of an Act of Parliament.

PART II

ENTRY AND DEPOSIT OF, OPERATIONS ON AND REMOVAL OF WAREHOUSED GOODS

Entry of goods

3.—(1) Goods which are on importation entered for warehousing shall be deemed to be duly warehoused as from the time when the proper officer certifies that their entry and warehousing are complete.

(a) 1975 c. 45.

(c) S.I. 1970/1018 (1970 II, p. 3165).

(b) 1952 c. 44.

(d) 1889 c. 63.

(2) Before any other goods are warehoused their proprietor shall deliver to the proper officer an entry thereof in such form and manner and containing such particulars as the Commissioners may direct

Provided that where any goods are brought to a warehouse for re-warehousing after removal for that purpose from another warehouse this Regulation shall not apply but the goods shall otherwise be treated as goods being warehoused for the first time.

Warehousing and marking of packages and lots

4.—(1) Save as the Commissioners may otherwise allow, goods shall be warehoused in the packages or lots in which they were first entered for warehousing and their proprietor shall mark and keep marked those packages or lots as the proper officer may direct.

(2) No alteration shall be made to warehoused goods or to their packaging or marking except with the authority of the proper officer.

(3) Any goods to which this Regulation applies shall be liable to forfeiture in the event of non-compliance therewith.

Stowage and production of goods

5. Save as the Commissioners may otherwise allow, the occupier of a warehouse shall so stow every package or lot of goods warehoused therein that easy access may be had thereto and shall produce to the proper officer on request any goods deposited therein which have not been lawfully authorised to be removed therefrom.

Inspection of goods

6.—(1) Subject to the consent of the occupier of the warehouse, the proprietor of any warehoused goods may, with the authority of the proper officer, inspect the goods and their packaging and prevent any loss therefrom, and display them for sale.

(2) Where the proper officer requires that he shall be present at any inspection or display of goods, he shall so far as is practicable attend at any reasonable time requested, but shall not be obliged to attend for such purposes more than once in any period of 24 hours at the request of the same person or in respect of the same goods.

Operations on warehoused goods

7.—(1) Without prejudice to the provisions of any enactment by or under which any operation on warehoused goods is or may be permitted, the Commissioners may in the case of such goods permit—

- (a) the sorting, separating, packing or repacking of the goods and such other operations as are necessary for their preservation, sale, shipment or disposal,
- (b) the rectifying and compounding of spirits,
- (c) the rendering sparkling of wine and made-wine, and
- (d) the mixing of a fermented liquor, or a liquor derived from a fermented liquor, with any other liquor or substance, but excluding the mixing of any liquor with spirits, so as to produce made-wine,

and may give directions as to the descriptions of warehouses and the parts of any warehouses in which any such operations may be carried out.

(2) Any person who immediately before the coming into operation of these Regulations was permitted under any enactment (other than section 142 or 144 of the Act of 1952) to carry out an operation of any kind on goods of any class or description in warehouse is hereby deemed to have been granted permission under this Regulation for the same operation to be carried out in warehouse.

(3) The Commissioners may at any time revoke or vary any permission granted or deemed to have been granted under this Regulation.

(4) Save as permitted by the Commissioners under section 142 or 144 of the Act of 1952, no person shall carry out any operation on goods in warehouse otherwise than in accordance with permission granted or deemed to have been granted under this Regulation.

(5) Any goods upon which any operation is carried out in breach of this Regulation shall be liable to forfeiture.

Removal of goods from warehouse

8.—(1) Before any goods are removed from warehouse their proprietor shall deliver to the proper officer an entry thereof in such form and manner and containing such particulars as the Commissioners may direct.

(2) Subject to these Regulations and any other enactment as to the purposes for which any goods may be warehoused, goods may be entered under this Regulation for—

- (a) home use,
- (b) exportation, or
- (c) use as stores.

(3) The Commissioners may allow goods to be entered under this Regulation for—

- (a) re-warehousing in another warehouse approved for the warehousing of such goods,
- (b) removal for such purposes as they think fit, or
- (c) accounting for and payment of customs duty in cases where such goods are chargeable with both customs duty and excise duty and the excise duty remains unpaid; and where goods are so entered they shall be treated for the purposes of customs duty as having been removed from warehouse.

(4) Save as provided for by or under the Act of 1952 or these Regulations, no goods shall be removed from warehouse until any duty chargeable thereon has been paid, secured or otherwise accounted for.

(5) For the purposes of these Regulations duty shall be deemed to have been paid on warehoused goods if payment thereof has been deferred under the Customs Duties (Deferred Payment) Regulations 1972(a) or under any other Regulations made under section 34(1A) of the Act of 1952 as applied by section 16(6) of the Act of 1975.

(6) Warehoused goods shall not be removed from warehouse except with the authority of, and in accordance with any directions given by, the proper officer.

(a) S.I. 1972/1739 (1972 III, p. 5040).

(7) Without prejudice to these Regulations or any provision of the Act of 1952 authorising the removal of goods from warehouse without payment of duty, the Commissioners may allow warehoused goods entered for removal for any purpose other than home use to be removed for that purpose without payment of duty.

(8) The Commissioners may allow the proprietor of any warehoused goods to take samples thereof, with or without entry or payment of duty.

Further entry of goods entered for warehousing

9. With the permission of the proper officer, any goods which have been entered for warehousing or re-warehousing may, before they are duly warehoused or re-warehoused as the case may be, be further entered by their proprietor for any of the purposes referred to in paragraphs (2) and (3) of Regulation 8 and dealt with as if so entered from warehouse

Provided that where any such goods are packaged and part only thereof is to be further entered or removed, that part shall consist of one or more complete packages.

PART III

DUTY CHARGEABLE ON WAREHOUSED GOODS

Rate of customs duty

10. Subject to Regulation 11, the rate of customs duty chargeable on warehoused goods (other than those falling within section 80(1)(e) of the Act of 1952) shall be that in force for goods of that class or description at the date of their removal from warehouse for home use.

Rate of customs duty on goods treated as removed from warehouse

11. The rate of customs duty chargeable on goods treated for the purposes of customs duty as having been removed from warehouse in accordance with paragraph (3)(c) of Regulation 8 shall be that in force at the date of the acceptance of the entry made in respect thereof.

Rate of customs duty on goods entered for home use after being removed for re-warehousing

12. The rate of customs duty on goods which have been lawfully removed from warehouse without payment of duty with the intention that they shall be re-warehoused, but which are entered for home use before being re-warehoused, shall be that in force with respect to goods of that class or description—

(a) where removal for home use is allowed under section 255 of the Act of 1952 on the giving of security for the duty chargeable thereon, at the date of the giving of the security, or

(b) in any other case, at the date of payment.

Calculation of customs duty

13. Subject to Regulations 14 and 17, customs duty chargeable on warehoused goods shall be calculated by reference to the account taken of them upon their first being warehoused.

Customs duty in the case of certain goods

14.—(1) This Regulation applies to the following warehoused goods, namely

beer, wine, made-wine, spirits, figs, currants, raisins, sugar, molasses, chilled or frozen meats, hydrocarbon oil and hops.

(2) Customs duty chargeable on such goods shall be determined by reference both to classification and quantity in accordance with this Regulation.

(3) The classification of such goods shall be determined by reference to their class or description at the time when they were first deposited in warehouse.

(4) The quantity of such goods shall be ascertained as follows—

(a) by reference to the account taken on their last being deposited in warehouse, or

(b) at the option of the proprietor thereof, in the case of such goods subjected to an operation permitted in warehouse, by reference to the account last taken before or after such operation, or

(c) at the option of the proprietor thereof, by reference to the account taken at the time of their removal for home use or at the time of their being treated for the purposes of customs duty as having been removed from warehouse in accordance with paragraph (3)(c) of Regulation 8.

Excise duty

15. Subject to Regulation 16, Regulations 10, 12 and 13 of these Regulations shall apply to warehoused goods chargeable with excise duty as if references therein to customs duty were references to excise duty.

Excise duty in the case of certain goods

16.—(1) This Regulation applies to the following warehoused goods, namely beer, wine, made-wine, spirits and hydrocarbon oil.

(2) Excise duty chargeable on such goods shall be determined by reference both to classification and quantity in accordance with this Regulation.

(3) The classification of such goods shall be determined under paragraph (3) of Regulation 14 except that in the case of goods subjected to an operation permitted in warehouse their classification shall be determined in accordance with the account taken on completion of such operation.

(4) The quantity of such goods shall be ascertained as follows—

(a) by reference to the account taken on their last being deposited in warehouse, or

(b) in the case of such goods subjected to an operation permitted in warehouse, by reference to the account last taken after such operation, or

(c) at the option of the proprietor thereof, by reference to the account taken at the time of their removal for home use.

Duties on tobacco

17. All duties chargeable on tobacco, and the rates thereof, shall be determined by the rules prescribed in Regulations 10, 12 and 16 and shall be charged accordingly as if tobacco were included in the list of goods in paragraph (1) of Regulation 16.

Ascertainment of the quantity of goods

18. Where the quantity of goods is ascertained by taking an account thereof,

it shall be ascertained for the purposes of these Regulations by reference to weight, measure or strength as the case may be.

Regulations not to apply to duty payable under section 85 of the Act of 1952

19. Nothing in these Regulations shall apply in relation to an amount payable in respect of duty under section 85 of the Act of 1952.

Adjustment of duty paid before the appropriate date

20. Where any sum has been paid in respect of duty before the appropriate date under these Regulations, the difference, if any, between the sum so paid and the amount properly payable shall be paid or re-paid as the case may require.

L. D. Hawken,
Commissioner of Customs and Excise.

6th November 1975.
King's Beam House,
Mark Lane,
London EC3R 7HE.

EXPLANATORY NOTE

(This Note is not part of the Regulations.)

These Regulations, which come into force on 1st January 1976, prescribe the conditions under which goods liable to duties of customs and excise may be deposited and stored in and removed from a bonded warehouse.

The Regulations substantially reproduce certain provisions concerning warehousing which are contained in the Customs and Excise Act 1952 and the Finance Act 1972 (c. 41) and which are repealed with effect from 1st January 1976 by the Finance (No. 2) Act 1975. They also introduce a new facility enabling the proprietor of warehoused goods chargeable with duties of both customs and excise to pay the customs duty although the goods may remain in warehouse for excise duty purposes, including the carrying out of operations which under Council Directive (EEC) No 71/235 (O.J. No L143, 29.6.1971, p. 28 (OJ/SE 1972 (31 Dec.) p. 398)) may not be carried out on warehoused goods still chargeable with customs duty.

The Regulations are in three parts:

Part I deals with definitions and other incidental matters.

Part II governs the entry, deposit, storage and handling of goods in warehouse, prescribes the operations that may be performed on them, and governs the removal of goods from warehouse.

Part III governs the charging of duty on warehoused goods and prescribes for this purpose how their classification and the rate of duty chargeable on them shall be determined and their quantity ascertained.

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