
STATUTORY INSTRUMENTS

2018 No. 1249

The Customs (Special Procedures and Outward Processing) (EU Exit) Regulations 2018

PART 4

Procedure-specific Rules

CHAPTER 1

Storage Procedure

Approval to operate a customs warehouse

15.—(1) A notification of approval by HMRC to operate premises as a customs warehouse must specify—

- (a) the premises;
 - (b) the approved person; and
 - (c) whether the premises are to be operated as a public customs warehouse or a private customs warehouse.
- (2) The warehouse is not to be used for any processing of goods other than—
- (a) an operation of a type—
 - (i) described in sub-paragraph (b) of paragraph 11 of Schedule 2 to the Act; and
 - (ii) specified in a notice published by HMRC as an operation constituting a usual form of handling of goods; or
 - (b) processing authorised under paragraph (3).
- (3) The approval may authorise the taking place in the warehouse of the processing of goods declared [^{F1}for a free zone procedure,] for an inward processing procedure or for an authorised use procedure where an HMRC officer is satisfied that—
- (a) the holder of the procedure in relation to the goods or the approved person of the warehouse has an economic need for the processing to be carried out in the warehouse; and
 - (b) control by any HMRC officer of the goods subject to the [^{F2}customs warehouse procedure] and goods subject to, as the case may be, the [^{F3}free zone procedure,] inward processing procedure or authorised use procedure would not be adversely affected by the authorisation to carry out the processing in the warehouse.
- (4) An approval must not authorise the keeping of goods other than chargeable goods in the customs warehouse unless—
- (a) the other goods to be kept in the warehouse are domestic goods; and
 - (b) an HMRC officer is satisfied that—

- (i) the approved person has viable commercial reasons for the storage of domestic goods alongside goods declared for a storage procedure; and
 - (ii) control by any HMRC officer of any chargeable goods stored in the warehouse would not be adversely affected by storage of domestic goods.
- (5) The approval must require accounting segregation in accordance with a notice made under regulation 44 where—
- (a) the approval permits domestic goods to be stored in the warehouse; and
 - (b) it is not possible, without incurring disproportionate cost, to identify—
 - (i) whether any goods stored are domestic goods or chargeable goods; and
 - (ii) the Customs procedure for which any chargeable goods have been declared.
- (6) The approval is granted subject to the following conditions—
- (a) retail sales of goods from the warehouse are not permitted other than as specified in the approval notification;
 - (b) the approved person must not allow goods [^{F4}declared for a [^{F5}customs warehouse procedure]] to leave the warehouse unless they are removed in accordance with regulation 17;
 - [^{F6}(c) in relation to goods declared for a customs warehouse procedure, the approved person must notify any person keeping such goods in the warehouse of any permission to remove the goods from the warehouse contained in the approval notification;]
 - (d) the approved person must notify HMRC without delay of any breach by any person who is a holder of a procedure of any requirement imposed by or under Part 1 of the Act in relation to goods kept by the person in the warehouse; and
 - (e) such other conditions as may be specified in the approval notification.
- (7) The approval may be granted subject to conditions regarding (amongst other things)—
- (a) the type of goods which may be kept in the warehouse;
 - (b) the activities that are permitted to be carried out in the warehouse;
 - (c) the amount of time for which particular goods may be kept in the warehouse; and
 - (d) the facilities in which particular goods must be stored whilst kept in the warehouse.
- (8) Where the approved person breaches a requirement imposed by provision made by or under Schedule 2 to the Act in relation to the keeping of goods in the warehouse, the approved person is liable to any import duty arising as a result of that breach unless the approval specifies otherwise.

Textual Amendments

- F1** Words in [reg. 15\(3\)](#) inserted (8.11.2021) by [The Free Zones \(Customs, Excise and Value Added Tax\) Regulations 2021 \(S.I. 2021/1156\)](#), regs. 1, [3\(9\)\(a\)\(i\)](#)
- F2** Words in [reg. 15\(3\)\(b\)](#) substituted (8.11.2021) by [The Free Zones \(Customs, Excise and Value Added Tax\) Regulations 2021 \(S.I. 2021/1156\)](#), regs. 1, [3\(9\)\(a\)\(ii\)\(aa\)](#)
- F3** Words in [reg. 15\(3\)\(b\)](#) inserted (8.11.2021) by [The Free Zones \(Customs, Excise and Value Added Tax\) Regulations 2021 \(S.I. 2021/1156\)](#), regs. 1, [3\(9\)\(a\)\(ii\)\(bb\)](#)
- F4** Words in [reg. 15\(6\)\(b\)](#) inserted (31.12.2020) by [The Customs and Excise \(Miscellaneous Provisions and Amendments\) \(EU Exit\) Regulations 2019 \(S.I. 2019/1215\)](#), regs. 1(2), [12\(7\)](#); [S.I. 2020/1643](#), reg. 2, Sch.
- F5** Words in [reg. 15\(6\)\(b\)](#) substituted (8.11.2021) by [The Free Zones \(Customs, Excise and Value Added Tax\) Regulations 2021 \(S.I. 2021/1156\)](#), regs. 1, [3\(9\)\(b\)\(i\)](#)

F6 Reg. 15(6)(c) substituted (8.11.2021) by The Free Zones (Customs, Excise and Value Added Tax) Regulations 2021 (S.I. 2021/1156), regs. 1, **3(9)(b)(ii)**

Modifications etc. (not altering text)

C1 Pt. 4 Ch. 1 applied (with modifications) (31.12.2020) by The Customs (Northern Ireland) (EU Exit) Regulations 2020 (S.I. 2020/1605), regs. 1(1), **33**; S.I. 2020/1643, reg. 2, Sch.

Commencement Information

I1 Reg. 15 in force at 31.12.2020 by S.I. 2020/1643, reg. 2, **Sch.**

Changes to legislation:

There are currently no known outstanding effects for the The Customs (Special Procedures and Outward Processing) (EU Exit) Regulations 2018, Section 15.