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## STATUTORY INSTRUMENTS

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# 2020 No. 1432

## The Customs (Tariff Quotas) (EU Exit) Regulations 2020

### PART 3

#### Import Licences: Part C of the Quota Table and the Preferential Quota Table

#### CHAPTER 3

#### Administration of Import Licences

#### Return and forfeiture of security

**40.**—(1) This regulation applies to any security which is held by the Secretary of State consequent to the grant of an import licence and is subject to any decision under regulation 42(3) that the security is forfeited.

(2) Any return of the security is to be made to the person who lodged the security.

(3) In order to make arrangements for a return of the security, the Secretary of State must be satisfied that—

(a) the quota goods specified in the licence have been released under the free-circulation procedure; and

(b) the release under the free-circulation procedure has taken place within the period of validity of the licence.

(4) Evidence of the release of the goods under the free-circulation procedure may include—

(a) a Customs declaration showing that the free-circulation procedure has been applied to the goods and containing a reference to the licence holder or transferee as declarant; or

(b) the used import licence endorsed by an HMRC officer (whether made available in electronic form or otherwise) showing that the free-circulation procedure has been applied to the goods.

(5) If the Secretary of State is satisfied that the quantity of goods released under the free-circulation procedure by the end of the period of validity of the licence is—

(a) between 95% and 100% of the quantity of the goods specified in the licence, the entire amount of the security must be returned to the person who lodged the security;

(b) between 5% and less than 95% of the quantity of the goods specified in the licence, the same percentage of the security must be returned to the person who lodged the security as the percentage of goods which were released under the free-circulation procedure;

(c) less than 5% of the quantity of the goods specified in the licence, the whole security is forfeit.

(6) Where the amount of security which would be forfeit under paragraph (5)(b) or (c) is £100 or less, the Secretary of State may return the entire amount of the security.

(7) If a person has not released under the free-circulation procedure a quantity of the quota goods to be imported under the licence, and the failure to release the goods was caused by abnormal and

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**Changes to legislation:** The Customs (Tariff Quotas) (EU Exit) Regulations 2020, Section 40 is up to date with all changes known to be in force on or before 04 September 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

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unforeseeable circumstances beyond that person's control, the person who lodged the security may make representations to that effect to the Secretary of State at any time following the grant of the licence, but in any event no later than 45 days after the end of the period of validity of the licence.

(8) The Secretary of State, having regard to any representations so submitted—

- (a) may return to the person who lodged the security such further percentages of the security as the Secretary of State considers appropriate; or
- (b) in the case of a licence referred to in regulation 35(4) which has not expired, may in the alternative extend the period of the validity of the licence by such a period as the Secretary of State considers appropriate, so long as the period of validity of the licence does not extend beyond the quota close date of the quota period for the tariff concerned.

(9) Where, after the period for making representations to the Secretary of State under paragraph (7) has elapsed, the Secretary of State decides that any security is forfeited under paragraph (5)(b) or (c), the person who lodged the security must be so notified.

(10) The Secretary of State must give reasons for the decision and inform the person of the right to appeal against the decision under regulation 43.

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**Commencement Information**

**II** Reg. 40 in force at 31.12.2020 by [S.I. 2020/1643](#), reg. 2, [Sch.](#)

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**Changes and effects yet to be applied to the whole Instrument associated Parts and Chapters:**

Whole provisions yet to be inserted into this Instrument (including any effects on those provisions):

- Sch. 1 Pt. B para. 19 inserted by [S.I. 2023/1192 reg. 5\(3\)](#)