

Moving from CHIEF to the Customs Declaration Service

HMRC are replacing the computer system that handles import and export declarations. The Customs Handling of Import and Export Freight (CHIEF) system is closing on 31 March 2023. Going forward, you'll need to declare all goods through the Customs Declaration Service (CDS) as it becomes the UK's single customs platform.

The new system will provide a more secure and stable platform with the capacity and capability to grow in line with the UK Government's ambitious trade plans to have the world's most efficient customs system by 2025.

Services on CHIEF will be withdrawn in two stages:

- After **30 September 2022** – you won't be able to make import declarations on CHIEF.
- After **31 March 2023** – you won't be able to make export declarations on CHIEF.

HMRC are now ready for declarants to start moving to the new system, so we wanted to give you more details to help you prepare, whether you make your own declarations or have someone who does this for you.

How to prepare

To help make the move to using CDS as easy as possible for your business, HMRC have published some [steps that you can follow](#).

To enable you to use CDS you will need to:-

1. Create a Government Gateway: <https://www.access.service.gov.uk/login/signin/creds>
2. Get access to the CDS via the HMRC website: <https://www.gov.uk/guidance/get-access-to-the-customs-declaration-service>

You should consider:

- If you use a customs agent to submit your declarations on your behalf, it is important that you liaise with your customs agent to advise them when you have registered and been approved to use the CDS platform. Only then can your declarations be submitted via CDS.

- There have been some changes to the information required on a declaration under CDS so it is important that you discuss your particular business requirements with your customs agent to ascertain if they require any additional information.
- If you want to appoint someone to submit your declarations on your behalf, HMRC have provided the following link - <https://www.gov.uk/guidance/appoint-someone-to-deal-with-customs-on-your-behalf>
- If you're thinking about making your own customs declarations, you need software that works with the CDS. Check with your customs software developer now and find out when you can start using the CDS, if you don't yet have a software provider and you'd like one, you can look at [list of software developers providing the Customs Declaration Service software](#).
- Consider any training and support your staff may need to help them use the CDS.

Example declarations

To help you make import declarations on the CDS, HMRC have created [some example declarations](#).

Postponed VAT Accounting (PVA)

HMRC have introduced PVA to assist businesses who are importing goods into Great Britain. The introduction of PVA means that you no longer have to declare and pay import VAT on your import declaration, instead you need to register and then account for the VAT on your VAT return, Input Tax recovery is subject to the normal VAT rules. Unfortunately this feature is **not** currently available in CDS to businesses on the Isle of Man. HMRC are treating this as high priority so we hope it will be delivered in the near future. Once a delivery date has been confirmed IOM C&E will update you accordingly.

Once PVA CDS is available in CDS to VAT registered traders on the Isle of Man, you can account for import VAT on your VAT Return for goods you import into:

- Great Britain (Isle of Man, England, Scotland and Wales) from anywhere outside the UK
- Northern Ireland from outside the UK and EU

You can also account for import VAT for goods you move between Great Britain and Northern Ireland that are declared into a customs special procedure, when they are removed from that special procedure.

To register for PVA, please use the following link:-

<https://www.gov.uk/guidance/get-your-import-vat-and-duty-adjustment-statements>

Until PVA has been delivered, businesses will either have to use their agents Duty Deferment Account or apply for their own Duty Deferment Account. You can either apply for a deferment account with HMRC or IOM C&E using the following link:-

<https://www.gov.uk/government/publications/import-and-export-deferment-arrangements-application-for-approval-c1200>

If you would like a deferment account with IOM C&E please ensure you complete the print and post version available using the above link and submit it to Isle of Man Customs & Excise, not HMRC. Please note that there is no fundamental difference between having a HMRC or IOM deferment account. The only difference is, who you will receive your duty deferment statement from and who you will subsequently need to pay.

Current Isle of Man Duty Deferment Account holders

Traders who currently have a Duty Deferment Account issued by Isle of Man Customs & Excise have already been contacted and informed of the process for obtaining a new Duty Deferment Account number which will be compatible within CDS. Any traders who have a Duty Deferment Account issued by HMRC or use their customs agent's deferment arrangements will not be impacted by this specific IOM process.

More information

HMRC have provided a number of resources and guidance online to help you meet your customs obligations. For more information, you can:

- go to our [Customs Declaration Service homepage](#) for guidance on importing and exporting
- use our [Customs Declaration Service Toolkit](#) to find out about the main changes
- find out [how to set up a Direct Debit](#) once you've set up your duty deferment account
- watch our videos and recorded webinars on topics like imports, exports, rules of origin, and import or export declarations on YouTube.

Here to help

We know the introduction of new systems and rules can be challenging. If you have difficulties accessing CDS contact HMRC using one of [these channels](#). If you still have a question please call IOM C&E on Tel: 648190. If you need help with one of HMRC's IT systems, please call HMRC's Customs and International Trade helpline on 0300 322 9434. The helpline is available from 8am to 10pm Monday to Friday, and 8am to 4pm at weekends. You can also call this number and choose option one, to access our 24/7 critical care service. Use this service if you need urgent help, for example, if your goods are stuck at the border.