

# PREPAYMENT ACCOUNT FACILITY

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The Prepayment Account facility provides a service where a Broker or Importer/Exporter can deposit with Customs, an amount of cash sufficient to cover an expected duty or tax liability on entries/declarations to be processed.

It is used mainly to pay duties and taxes on goods imported or as security pending processing of the perfect entry. The prepayment facility offers particular advantages to Customs and to Importers in facilitating goods clearance. For example once a prepayment account is used the importer can stay in the comfort of this office and pay for duties assessed on his/her entry. It also facilitates in refunds where the duties are automatically credited to the account if after an amendment of the entry is made due to either a wrong classification or incorrect computation of values.

## **Prepayment Account set up procedure;**

The importer/agent must apply using the “**Prepayment Account Registration Form**” <https://customs.gov.vc/downloads/prepayment-act-facility.pdf> , and present to the supervisor of the Customs Accounting Section.

- The Importer/Exporter or Broker must notify the Supervisor Accounts Section of his/her desire to establish a prepayment account and the type of account that he wishes to get up. That is either a declarant's or an importer' account.

When a Declarant account is established, only the individual/company authorized to assess declarations using the Asycuda++ system can utilize the account and the account holder **can** view the balance of the account from their Asycuda++ module.

If an importer account is set up, then the declarant/broker must be given both the account number and secret code if different from consignee. The account balance **cannot** be viewed from the Asycuda++ client, but can be had from the Customs Accounts Section.

- Once accepted, the Importer/Exporter or Broker must deposit with the Customs a sum of money, which he/she thinks is sufficient to cover the duty liability of his/her, imports or exports for a particular period.
- The Importer/Exporter or Broker can deposit in two modes on one receipt (e.g. part in cash, part in cheque).
- A receipt for the amount deposited will be issued to the Importer/Exporter or Broker by the Customs cashier.

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- The Importer/Exporter or Broker will be issued with a secret code to be used with the account. The PIN (Personal Identification Number) is allocated by the system.
- Statements on the status of the account can be viewed or printed by the Importer/Exporter or Broker once the account is set up as a Declarant Account.
- If the prepaid amount is sufficient to cover the duty liability, a request for assessment of the entry/declaration by the Importer/Exporter or Broker means that the declaration will be paid and the amount of the cash in the pre-payment account is debited/reduced accordingly.
- If the prepaid amount is insufficient to cover the liability, processing of declaration is suspended until the account number is changed or deleted from the appropriate box, or until further funds are paid into the account.
- The Importer/Exporter or Broker may print a receipt which covers the amount of the cash transferred from the prepayment deposit and which is automatically generated as soon as the declaration is assessed.
- The Importer/Exporter or Broker determines the frequency of deposits or the amount credited to the account.
- If any amount deposited is no longer required for prepayment purposes, the Importer/Exporter or Broker may request a refund of the balance contained in the account.

### **REFUNDS AND SHORT COLLECTION OF DUTY**

- In the event that a declaration is cancelled or an overpayment is made and the original payment was by means of a pre-payment account, the amount of refund will be credited to the prepayment account.
- In the event that the declaration is underpaid and the original payment was by means of cash or prepayment the Importer/Exporter or Broker must present the details and pay the additional amount to the customs Accounts Unit. The prepayment account can also be used and would be debited by Customs upon request for the additional amount owing.