



Customs Alert: April 2020

COVID-19: Postponement of customs duties payments – now without bank guarantee



As a part of the efforts to mitigate the impact of the COVID -19 pandemic on the economic activities of the Kingdom, the Government of Saudi Arabia has announced several measures targeted specifically at taxpayers that are designed to ease filing and payment requirements for a limited period.

In this respect, in addition to the measures introduced earlier this year and mentioned in our earlier customs alerts, Saudi Customs has recently announced that the postponement of the collection of customs duties for a period of 30 days is available **without the need for a bank guarantee** – upon approval which is based on a review of the financial statements of the importer and other criteria (which were not disclosed). This specific relief will only be available during the period starting **from 19 April 2020 until 22 June 2020**.

Procedure to apply for customs duties postponement:

- Submit an application through the Saudi Customs portal;
- Ensure the financial statements for the year 2019 are available in the Quwaem system and grant Saudi Customs viewing rights by visiting the Quwaem website;
- Accept the electronic declaration obligation to pay the duties;
- The value of the value of the duties and fees to be postponed will be determined by the Customs Authority; and
- Wait for approval and confirmation of the value from the Customs Authority (3-5 working days).

Customs duties payments that will be postponed:

All customs duties and any other related fees are covered by the relief, such as fees for clearing platform services.

Please note, that the General Authority for Zakat and Tax has also introduced measures for postponing VAT and excise tax to be paid at the time of customs clearance. These taxes are not covered by the Saudi Customs program in question.

For more information and to discuss how this announcement might affect your business, please do not hesitate to contact us.

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