



GOVERNMENT OF BERMUDA

Ministry of Finance

Customs Department

Public Notice 17 – Supplemental 3

Bermuda Customs Declaration

Guidelines:

BCD Type - DEPOSITS

04th March, 2011

Contents

1	Introduction	1
1.1.	Definitions.....	1
1.2.	Who should read this Notice?	1
1.3.	What is this Notice about?	1
1.4.	What is the relevant law?.....	1
1.5.	How do I obtain further information?	2
2	Completion of Required Fields for BCD Type: DEPOSIT	3
2.1.	Allowable CPCs Associated with BCD Type: DEPOSIT	3
2.2.	Deposit BCD to import goods directly from the Port of Arrival	3
2.3.	Deposit BCD to import goods from out of an LIC warehouse	8
3	Calculation of Tax Amount for BCD Type: DEPOSIT	14
3.1.	Ad Valorem Duty Rate Calculation	14
3.2.	Ad Valorem Duty Rate Table for Deposit BCDs.....	14
3.3.	Specific Duty Rate Calculation.....	15
4	Time Period for BCD Type: DEPOSIT	16
5	Surcharges for BCD Type: DEPOSIT	16
6	Processing and Payment for BCD Type: DEPOSIT in CAPS	16
6.1.	Conditions on Processing a BCD Type: DEPOSIT	16
6.2.	Payment Options for a BCD Type: DEPOSIT.....	16

1 Introduction

1.1. Definitions

In this public notice –

“BCD” means the Bermuda Customs Declaration;

“CAPS” means Customs Automated Processing System;

“CPC” means Customs Procedure Code;

“Customs Trader” means any person or company carrying on a trade or business which consists of or includes any of the following activities –

- a) importing or exporting any goods;
- b) handling, transporting or storing them;
- c) facilitating any activity mentioned in sub- paragraphs a) or b);

“Declarant” means the person/company completing the BCD;

“HBL” means House Bill of Lading

“Importer” means the person/company actually bring in the goods; and,

“LIC” means a Local Inland Clearance warehouse.

1.2. Who should read this Notice?

This notice is relevant to individual (non-commercial) importers as well as commercial and institutional importers and freight agents — in short, anyone involved in importing/exporting freight

1.3. What is this Notice about?

This Public Notice 17 – Supplemental 3 should be read in conjunction with the main body of Public Notice 17. This Notice provides detailed guidelines for completing the BCD when dealing with a **BCD Type: Deposit**. Persons interested in this Notice should also read the associated Public Notice 17 – Supplemental 4 on **BCD Type: Adjustment**.

Please see Public Notice 17 section 2 for guidance on the various BCD Types.

1.4. What is the relevant law?

In general, the laws pertaining to the importation and export of goods are the Revenue Act 1898 and the Customs Tariff Act 1970. More specifically, the Collector of Customs has the authority to determine the form of entry (BCD) under the provisions of section 14 and 16 of the Revenue Act 1898.

The law requires the Collector to publish the form of entry (BCD) in the Official Gazette so that everyone knows what entry form they have to fill in order to import or export goods.

The BCD was Gazetted on July 21st 2000 (GN No.573).

You may gain access to the above legislation and other Bermuda laws by visiting the Bermuda Laws Online website. www.bermulaws.bm or by clicking on the “Legislation” link on the Customs Department website www.customs.gov.bm

1.5. How do I obtain further information?

If you require further details or assistance regarding the BCD, please contact the Customs Department at the following locations:

Hamilton Commercial Operations

Custom House
40 Front Street
Hamilton HM 12

PO Box 2084
Hamilton HM HX

Telephone: (441) 295-4816
Fax: (441) 295-5392

Airport Commercial Operations

L. F. Wade International Airport
3 Cahow Way
St. George's DD 03

Telephone: (441) 293-2424
Fax: (441) 293-1418

You can access or download an electronic copy of this and other Customs Public Notices by visiting the Customs Department website, www.customs.gov.bm.

2 Completion of Required Fields for BCD Type: DEPOSIT

2.1. Allowable CPCs Associated with BCD Type: DEPOSIT

The following table provides a listing of CPCs that fall within BCD Type: Pro Forma:

CPC	DESCRIPTION	BCD TYPE CODE	ALLOWABLE TAX TYPE / TAX ID	DUTY RATE
1004	Deposit	D	N/A	N/A

2.2. Deposit BCD to import goods directly from the Port of Arrival

This section deals with the movement of a shipment on deposit directly from the Port of Arrival and a sample BCD for illustrative purposes is provided.

Traders must be authorised by Customs prior to being able to submit a BCD Type: Deposit.

The use of CPC 1004 is limited to persons with a registered CAPS Trader ID number.

All fields with **M** beside them are to be completed. Fields with **O** beside them are optional. Any fields that do not have a symbol next to them should be left blank. The following instructions provide for the proper minimum data requirements. If you feel it is necessary to provide further additional information on the BCD please do so – as long as the minimum requirements have been met. Immediately after the BCD sample you will find further details on individual BCD fields that may require specific data.

The BCD should be completed on the standard BCD (Customs Form No. 10 April 2000) and in accordance with the instructions for those fields that can be found in Public Notice 17 - Appendix A.

BCD Control Field: BCD Type Code for Imports

PAGE 1 OF 0 1	D	IMPORT	EXPORT
TRADER REFERENCE: USA 123456789			

- BCD Type Code must be "D".

Field 2: Importer

2	IMPORTER	ID NO.: 1 0 0 9 8 7
a. NAME:	XYZ COMPANY	
b. NUMBER / STREET:	40 ST JOHN'S ROAD	
c. PARISH:	PEMBROKE	
d. POSTAL CODE:	HM 12	

- Only persons with a CAPS trader ID NO. may use CPC 1004.
- The use of "999999" as Importer ID NO. is not allowed.

Field 7: Additional Information

7	ADDITIONAL INFORMATION
<p>TXT = I do not have sufficient information to make proper entry of the goods in this consignment.</p>	

- A valid reason for why a BCD Type: Deposit is being used must be given.
- The Additional Information Code "TXT" is to be used.

Field 16 – Customs Procedure Code Information

15	RECORD NO.	0 0 1
16	CPC:	1 0 0 4

- CPC must be **1004**.

Field 19: Description

18	TAREF NO.
19	DESCRIPTION
250 CASES - SODA - US\$3,000.00	

- List the goods by quantity, general description and estimated value.
- Multiple items may be grouped on one Record, although they must all attract the same deposit rate.

Field 27: Tax Calculation Information

27	TAX TYPE	TAX ID.	VALUE FOR TAX	TAX RATE	TAX AMOUNT
	DEP	D	1000.00	50.25	502.50
				TOTAL DUE	502.50

- Field 27 is where duty, wharfage or any other fees are calculated for each Record of the BCD.

Field 27a: Tax Type Code

27	TAX TYPE	TAX ID.	VALUE FOR TAX	TAX RATE	TAX AMOUNT
	DEP	D	1000.00	50.25	502.50
				TOTAL DUE	502.50

TAX TYPE (1st column – 27a)

- Use “DEP” as Tax Type.

Field 27b: Tax ID Code

27	TAX TYPE	TAX ID.	VALUE FOR TAX	TAX RATE	TAX AMOUNT
	DEP	D	1000.00	50.25	502.50
				TOTAL DUE	502.50

TAX ID (2nd column – 27b)

- Use “D” as Tax ID.

Field 27c: Value For Tax

27	TAX TYPE	TAX ID.	VALUE FOR TAX	TAX RATE	TAX AMOUNT
	DEP	D	1000.00	50.25	502.50
				TOTAL DUE	502.50

VALUE FOR TAX (3rd column – 27c)

- This is the estimated value of the goods being declared to each Record.

Field 27d: Tax Rate

27	TAX TYPE	TAX ID.	VALUE FOR TAX	TAX RATE	TAX AMOUNT
	DEP	D	1000.00	50.25	502.50
				TOTAL DUE	502.50

TAX RATE (4th column – 27d)

- The applicable Tax Rates for BCD Type: Deposits is 50% greater than the Tax Rate that would normally be charged on a BCD Type: Import. A table is provided in section 3 of this document to provide assistance in calculating the appropriate Tax Rate.
- If the rate is a percentage (i.e. 50.25%) enter the figure “**22.25**”. Do **not** state percentages as a decimal figure (i.e. “0.5025”).
- If the rate is a specific rate (i.e. \$2.50 per litre) enter the figure “**2.50**”.

Field 27e: Tax Amount

27	TAX TYPE	TAX ID.	VALUE FOR TAX	TAX RATE	TAX AMOUNT
	DEP	D	1000.00	50.25	502.50
				TOTAL DUE	502.50

TAX AMOUNT

(5th column – 27e)

- Enter the calculated amount to be collected.
- The TAX AMOUNT is calculated by multiplying the VALUE FOR TAX (27c) by the TAX RATE (27d).
- Round TAX AMOUNT to two (2) decimal places.

Field 27: Total Due

27	TAX TYPE	TAX ID.	VALUE FOR TAX	TAX RATE	TAX AMOUNT
	DEP	D	1000.00	50.25	502.50
				TOTAL DUE	502.50

TOTAL DUE

- TOTAL DUE must be the **exact** sum of the TAX AMOUNT values for the Record. No rounding is allowed for the TOTAL DUE.

2.3. Deposit BCD to import goods from out of an LIC warehouse

This section deals with the movement of a shipment on deposit from out of an LIC warehouse and a sample BCD for illustrative purposes is provided.

Traders must be authorised by Customs prior to being able to submit a BCD Type: Deposit.

The use of CPC 1004 is limited to persons with a registered CAPS Trader ID number.

The BCD is to be submitted to Customs for processing no earlier than twenty-four hours after the presentation of the associated manifest and HBLs that were tendered for the LCL container from out of which the consignment arrived.

The BCD may be tendered by the LIC facility, the actual importer of the consignment or a third party agent acting on behalf of the importer.

All fields with **M** beside them are to be completed. Fields with **O** beside them are optional. Any fields that do not have a symbol next to them should be left blank. The following instructions provide for the proper minimum data requirements. If you feel it is necessary to provide further additional information on the BCD please do so – as long as the minimum requirements have been met. Immediately after the BCD sample you will find further details on individual BCD fields that may require specific data.

The BCD should be completed on the standard BCD (Customs Form No. 10 April 2000) and in accordance with the instructions for those fields that can be found in Public Notice 17 - Appendix A.

Bermuda Customs Declaration M

PAGE 1 OF 0 1 D	IMPORT	EXPORT
TRADER REFERENCE: USA 123456789		

1 SUPPLIER ID NO:
M a. NAME: XYZ COMPANY
O b. STREET: 1A FRONT STREET
O c. STATE/PROVINCE: NEW HAVEN, CT
O d. ZIP CODE: 12345
O e. COUNTRY: USA

M **2** IMPORTER ID NO: 1 0 0 9 8 7
M a. NAME: XYZ COMPANY
M b. NUMBER / STREET: 40 ST JOHN'S ROAD
M c. PARISH: PEMBROKE
M d. POSTAL CODE: HM 12

3 TRANSPORT DETAILS
M a. VESSEL VOYAGE / AIRCRAFT FLIGHT NO.: OLE / 807
M b. PORT OF ARRIVAL: H A M
M c. ARRIVAL / DEPARTURE DATE: 12 / 08 / 2011

4 MANIFEST DETAILS MANIFEST NO:
M a. MASTER BILL OF LADING / AWB NO.: 5002
M b. HOUSE BILL OF LADING / AWB NO.: 1234
M c. CONTAINER ID NO.: ICSU123456-9

15 RECORD NO. 0 0 1

M **16** CPC: 1 0 0 4
17 COUNTRY OF ORIGIN:
18 TARIFF NO.:
M **19** DESCRIPTION: 250 cases - Soda - US\$1,000.00

20 QUANTITY / UNITS 1:
21 QUANTITY / UNITS 2:
22 SUPPLEMENTARY CODE:
28 ADDITIONAL INFORMATION:

M **5** a. COUNTRY OF DIRECT SHIPMENT: US
O b. COUNTRY OF ORIGINAL SHIPMENT: GB
M **6** WAREHOUSE IDENTIFICATION: 3554
M **7** ADDITIONAL INFORMATION:

BCD = 123456789
 TXT = I do not have sufficient information to make proper entry of the goods in this consignment

8 METHOD OF PAYMENT:
 (1) ACCOUNT ID NO.:
 (2) ACCOUNT ID NO.:

9 CHARGES / DEDUCTIONS	%	AMOUNT (BOS)

10 VALUATION METHOD:
M **11** NO. OF PACKAGES: 250
M **12** TOTAL NO. OF RECORDS: 0 0 1
M **13** TOTAL INVOICE AMOUNT: 1,000.00
M **14** TOTAL PAYABLE AMOUNT: 502.50

23 CURRENCY: VALUE:
24 EXCHANGE RATE:
25 BOS VALUE:

26 CHARGES / DEDUCTIONS	%	AMOUNT

M 27 TAX TYPE	TAX ID.	VALUE FOR TAX	TAX RATE	TAX AMOUNT
DEP	b	1000.00	50.25	502.50
TOTAL DUE				502.50

M **1** TONY D. TRADER ID NO: 1 0 0 9 8 7
 DECLARE THE PARTICULARS OF THIS DOCUMENT TO BE TRUE, ACCURATE AND COMPLETE.
 DATE: 13 / 08 / 2005 SIGNATURE: Tony D Trader CAPACITY: AGT

CUSTOM NO. 30 APRIL 2000

Customs use only

BCD Control Field: BCD Type Code for Imports

PAGE 1 OF 0 1	D IMPORT	EXPORT
TRADER REFERENCE: USA 123456789		

- BCD Type Code must be “D”.

Field 2: Importer ID Number

2 IMPORTER	ID NO. 1 0 0 9 8 7
a. NAME:	XYZ COMPANY LTD
b. NUMBER / STREET:	40 FRONT ST
c. PARISH:	HAMILTON
d. POSTAL CODE:	HM 12

- Only persons with a CAPS trader ID NO. may use CPC 1004.
- The use of “999999” as Importer ID NO. is not allowed.

Field 4: Manifest Details

4 MANIFEST DETAILS	MANIFEST NO.:
a. MASTER BILL OF LADING / AWB NO.:	5002
b. HOUSE BILL OF LADING / AWB NO.:	1234
c. CONTAINER ID NO.:	ICSU123456-9

- The BCD can relate to multiple HBLs but only if the consignments are for a single importer, from out of a single LCL container and covered by a single MBL.
- Any BCD dealing with the removal of goods from an LIC warehouse must have a HBL.
- Enter the reference number for the HBL provided by the LIC operator for the consignment.

Field 6: Warehouse Identification

6 WAREHOUSE IDENTIFICATION	3554
-----------------------------------	------

- “3xxx” – this references the assigned warehouse identification for the LIC warehouse from out of which the goods are being removed.
- All LIC warehouse identifications begin with the number “3”.
- The LIC operator will provide the warehouse identification number.

Field 7: Additional Information

7 ADDITIONAL INFORMATION:

BCD = 123456789

TXT = I do not have sufficient information to make proper entry of the goods in this consignment

- Any BCD dealing with the removal of goods from an LIC warehouse must provide the BCD reference number of the Pro Forma BCD that placed the goods into the LIC warehouse.
- The Additional Information Code “**BCD**” must be used, followed by the 9 digit BCD number assigned by Customs to the appropriate Pro Forma BCD (CPC 1001 or CPC 1005).
- The appropriate BCD reference number is to be provided by the LIC operator.
- A valid reason for why a BCD Type: Deposit is being used must be given.
- The Additional Information Code “**TXT**” is to be used.

Field 16 – Customs Procedure Code Information

15 RECORD NO. 0 0 1

16 CPC 1 0 0 4

- CPC must be **1004**.

Field 19: Description

18 TAREF NO.

19 DESCRIPTION

250 CASES - SODA - US\$3,000.00

- List the goods by quantity, general description and estimated value.
- Multiple items may be grouped on one Record, although they must all attract the same deposit rate.

Field 27: Tax Calculation Information

27	TAX TYPE	TAX ID.	VALUE FOR TAX	TAX RATE	TAX AMOUNT
	DEP	D	1000.00	50.25	502.50
TOTAL DUE					502.50

- Field 27 is where duty, wharfage or any other fees are calculated for each Record of the BCD.

Field 27a: Tax Type Code

27	TAX TYPE	TAX ID.	VALUE FOR TAX	TAX RATE	TAX AMOUNT
	DEP	D	1000.00	50.25	502.50
TOTAL DUE					502.50

TAX TYPE (1st column – 27a)

- Use “DEP” as Tax Type.

Field 27b: Tax ID Code

27	TAX TYPE	TAX ID.	VALUE FOR TAX	TAX RATE	TAX AMOUNT
	DEP	D	1000.00	50.25	502.50
TOTAL DUE					502.50

TAX ID (2nd column – 27b)

- Use “D” as Tax ID.

Field 27c: Value For Tax

27	TAX TYPE	TAX ID.	VALUE FOR TAX	TAX RATE	TAX AMOUNT
	DEP	D	1000.00	50.25	502.50
TOTAL DUE					502.50

**VALUE FOR TAX
(3rd column – 27c)**

- This is the estimated value of the goods being declared to each Record.

Field 27d: Tax Rate

27	TAX TYPE	TAX ID.	VALUE FOR TAX	TAX RATE	TAX AMOUNT
	DEP	D	1000.00	50.25	502.50
TOTAL DUE					502.50

TAX RATE (4th column – 27d)

- The applicable Tax Rates for BCD Type: Deposits is 50% greater than the Tax Rate that would normally be charged on a BCD Type: Import. A table is provided in section 3 of this document to provide assistance in calculating the appropriate Tax Rate.
- If the rate is a percentage (i.e. 50.25%) enter the figure “**22.25**”. Do **not** state percentages as a decimal figure (i.e. “0.5025”).
- If the rate is a specific rate (i.e. \$2.50 per litre) enter the figure “**2.50**”.

Field 27e: Tax Amount

27	TAX TYPE	TAX ID.	VALUE FOR TAX	TAX RATE	TAX AMOUNT
	DEP	D	1000.00	50.25	502.50
				TOTAL DUE	502.50

TAX AMOUNT
(5th column – 27e)

- Enter the calculated amount to be collected.
- The TAX AMOUNT is calculated by multiplying the VALUE FOR TAX (27c) by the TAX RATE (27d).
- Round TAX AMOUNT to two (2) decimal places.

Field 27: Total Due

27	TAX TYPE	TAX ID.	VALUE FOR TAX	TAX RATE	TAX AMOUNT
	DEP	D	1000.00	50.25	502.50
				TOTAL DUE	502.50

TOTAL DUE

- TOTAL DUE must be the **exact** sum of the TAX AMOUNT values for the Record. No rounding is allowed for the TOTAL DUE.

3 Calculation of Tax Amount for BCD Type: DEPOSIT

The amount of the monetary deposit which must accompany a deposit BCD is normally the amount of the estimated duty plus 50%. Examples are given below of how to calculate the deposit amount for goods that attract *ad valorem* duty rates and specific duty rates.

3.1. *Ad Valorem Duty Rate Calculation*

To calculate the deposit amount where the unit for duty is based on the value of the goods and the rate of duty is expressed as a percentage of the value, multiply the applicable rate of duty by 150% and enter the product in the Tax Rate field 27d of the BCD.

Example

A casual importer has imported a dishwasher worth approximately \$500.00 and wishes to place a deposit because they are experiencing delays in obtaining an invoice from the on-line supplier.

Step 1 - determine the unit for duty

Look up dishwashers in the 1st schedule of the Tariff and refer to the fifth column for the appropriate unit for duty, e.g. = value.

Step 2 - determine the estimated customs value

Get estimated cost of goods from catalogue, order documents or pro forma invoice, e.g. = \$500.00.

Step 3 - determine the deposit rate

Rate of duty \times 150% = deposit rate

22.25 \times 150% = 33.38%

Step 4 - calculate the deposit amount

Estimated value \times deposit rate = deposit amount

\$500.00 \times 33.38% = \$166.90

3.2. *Ad Valorem Duty Rate Table for Deposit BCDs*

As a short-cut, all applicable deposit rates have been specified in the second column of the table below.

To use the table, find the rate of duty applicable to your goods in the first column of the table. Then use the corresponding deposit rate in the second column and calculate the deposit amount by reference to the customs value of the goods.

Where the rate of duty is:	Use the deposit rate below:
0.00%	1.67%
5.00%	7.50%
6.50%	9.75%
8.50%	12.75%
10.00%	15.00%
15.00%	22.25%
22.25%	33.38%
33.50%	50.25%
75.00%	112.50%
150.00%	225.00%

3.3. Specific Duty Rate Calculation

To calculate the amount of the deposit where the unit for duty is a specific rate (E.g. *litres* or *litres of alcohol*) instead of a percentage, multiply the specific rate of duty by 150% to get the deposit rate and then multiply that deposit rate by the number of units for duty.

Example

A customs trader has imported has a case (12 ×75cl bottles) of wine and wishes to place a deposit because they are experiencing delays in obtaining an invoice from the supplier.

Step 1 - determine the unit for duty

Look up wine in the 1st schedule of the Tariff and refer to the fifth column for the appropriate unit for duty, e.g. = *l (litres)*.

Step 2 - determine the number of units for duty

Number of bottles × bottle capacity = units for duty
 $12 \times 0.75 = 9$ litres

Step 3 - determine the deposit rate

Rate of duty × 150% = deposit rate
 $\$2.63 \times 150\% = 3.95$ (round up product to two decimal places)

Step 4 - calculate the deposit amount

Units for duty × deposit rate = deposit/security amount
 $9 \times \$3.95 = \35.55

4 Time Period for BCD Type: DEPOSIT

A BCD Type: Deposit is used when there is insufficient information for the declarant to make full entry of all particulars on a BCD Type: Import. Customs allows for a period of thirty (30) working days from the date the BCD Type: Deposit is released before a full entry must be made.

If it is likely that you will not have received sufficient information to make proper entry before the end of the prescribed period, you may make application in writing to the Collector of Customs stating the reason for the extension and citing the BCD number assigned to the deposit BCD. Applications received after the prescribed period has elapsed will not be considered.

5 Surcharges for BCD Type: DEPOSIT

After thirty (30) working days has elapsed, a surcharge is automatically imposed in the amount of 50% of the deposit. If the adjustment is still outstanding at the end of six months then the balance of the deposit will be paid into the general revenue.

It is important to note that the paying in of the deposit as a surcharge does not acquit your obligation to make proper entry and pay the duty. The Collector of Customs may sue for and recover the outstanding duty, together with full costs of suit before a court of summary jurisdiction in the manner provided by the Magistrates Act 1948.

6 Processing and Payment for BCD Type: DEPOSIT in CAPS

6.1. Conditions on Processing a BCD Type: DEPOSIT

In order to process Deposit BCDs in CAPS an importer must be aware of the following conditions and decide upon the manner in which the duty at risk is to be secured:

- The Importer must have a Customs Trader ID number;
- A Deposit BCD in CAPS must declare the estimated duty at risk for the shipment for which the BCD is being submitted;
- A Deposit BCD will only pass validation in CAPS if there is sufficient credit in the Importer's "Deposit" CAPS account;
- When a Deposit BCD is validated in CAPS the amount of estimated duty at risk will be secured from the available balance in the Importer's "Deposit" CAPS account;
- Upon adjustment of a Deposit BCD in CAPS the amount of estimated duty at risk, that was previously secured, is returned to the Importer's "Deposit" CAPS account and made available to be used again.
- A separate payment must be made to settle the duty and wharfage on the Adjustment BCD. The settlement of the duty and wharfage amount from the original deposit amount is no longer allowed within CAPS.

6.2. Payment Options for a BCD Type: DEPOSIT

An Importer may fund their "Deposit" CAPS account by one of the following methods:

- Deposit funds on an individual basis whenever there is a need to submit a Deposit BCD in order to secure the duty at risk.

When adjustment is made the funds are returned to the Importer's "Deposit" CAPS account.

The Importer may choose to leave the funds in the “Deposit” CAPS account for use against future Deposit BCDs; or, after adjustment, may make a written reclaim application to Customs for the funds.

This type of account is referred to as a **T-C Account**, or **Trader Guarantee Cash Account**.

- The Importer determines the likely amount of duty at risk for the number of Deposit BCDs that would be submitted for a thirty (30) day time period and makes a lump sum deposit (either cash or cheque) to Customs in that amount, which will be left on account for the long term. This option is identical to the traditional Standing Deposit regime.

When adjustment is made the funds are returned to the Importer’s “Deposit” CAPS account; therefore, if all adjustments have been made, the balance in the Importer’s “Deposit” CAPS account will be the original lump sum payment. Should the Importer process multiple Deposit BCDs and exceed the balance of their “Deposit” CAPS account then more funds will need to be deposited with Customs before anymore Deposit BCDs can be validated.

If the Importer wishes to reclaim their lump sum amount they will first need to undertake a reconciliation exercise with Customs to ensure that all proper adjustments have been completed. Customs will not normally allow for only a portion of the original lump sum to be reclaimed.

This type of account is referred to also as a **T-C Account**, or **Trader Guarantee Cash Account**.

- The Importer determines the likely amount of duty at risk for the number of Deposit BCDs that would be submitted for a thirty (30) day time period. However, in lieu of payment to Customs, the Importer will put in place a Letter of Credit, or other such suitable financial instrument, to secure the predetermined amount of duty at risk. This option is identical to the traditional Standing Deposit regime but does not require actual monetary funds to be deposited with Customs. The Importer will only be required to finance the financial instrument that has been put in place.

Based on the established financial instrument, Customs will extend a line of credit to the Importer’s “Deposit” CAPS account.

When adjustment is made the funds are returned to the Importer’s “Deposit” CAPS account; therefore, if all adjustments have been made, the balance in the Importer’s “Deposit” CAPS account will be the original established line of credit. Should the Importer process multiple Deposit BCDs and exceed the balance of their “Deposit” CAPS account then arrangements will need to be made in order to increase the line of credit available in the Importer’s “Deposit” CAPS account.

If the Importer wishes to eventually cancel their financial instrument they will first need to undertake a reconciliation exercise with Customs to ensure that all proper adjustments have been completed.

This type of account is referred to as a **T-O Account**, or **Trader Guarantee Other Account**.

In the event that an Importer has an existing **T-C Account** in CAPS, the establishment of a **T-O Account** would require Customs assigning a new Trader ID number for the Importer.

- An Adjustment BCD in CAPS must have the duty and wharfage paid in full from the Importer’s “Duty” CAPS Account - this type of account is referred to as a **T-U Account**, or **Trader Current Account**. The settlement of the duty and wharfage amount from the original deposit amount is no longer allowed within CAPS;

Do you have any comments?

We would be pleased to receive any comments or suggestions you may have about this notice. Please write to:

Collector of Customs
Customs Department
PO Box HM 2084
Hamilton HM HX
Bermuda

Phone: (441) 295-4816

Fax: (441) 295-5392

E-mail: customs@gov.bm

Website: www.customs.gov.bm

Published by the Government of Bermuda
The Ministry of Finance
Customs Department
Custom House
40 Front Street, Hamilton HM12
P.C. Box HM 2084
Hamilton HM HX, Bermuda
Tel: (441) 295-4816, FAX: (441) 295-5392
Email: customs@gov.bm
Website: www.customs.gov.bm

Design and pre-press production:
Printed in Bermuda by the Customs Department