EORI (UK) LIMITED

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Steel Quotas: Cleared vs. Claimed

Forwarders move goods. Customs agents protect your bottom line

Many importers depend on freight forwarders for customs declarations, which can lead to issues when dealing with complex regulations. Relying solely on forwarders can result in costly problems that experienced customs agents could help avoid.

Clearing is not the same as claiming

Tariff quotas allow businesses to import limited amounts of specific goods, sometimes from specific countries, at a reduced duty rate. Once the quota is used up, the normal duty rate applies. Imported goods like steel are subject to dynamic quotas allocated on a first-come, first-served basis. Errors in quota claims can impact multiple importers. Before the migration to CDS, many quota claims were rejected despite an available balance. Forwarders often use duty override codes to clear goods without paying duty, but fail to claim the corresponding quota. Importers who relied solely on forwarders often missed these critical follow-up steps.

Your import cleared, but don’t quota me on that

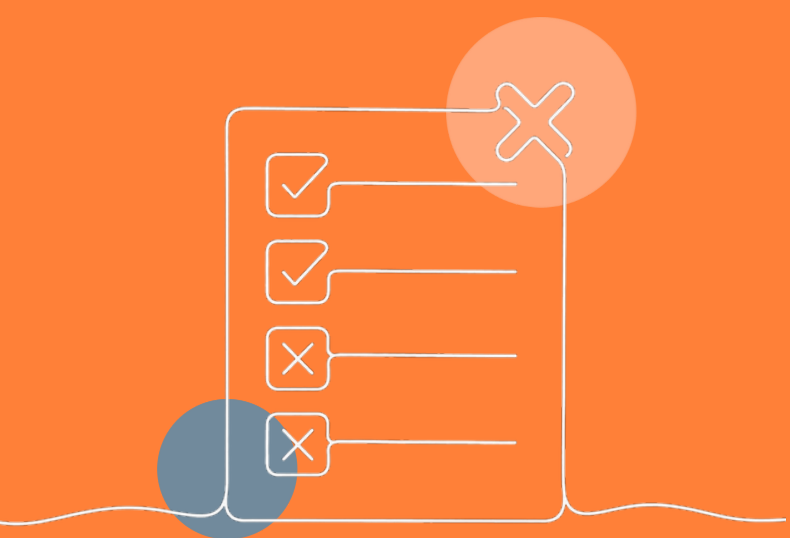
Using override codes allows goods to enter without paying duties. But it doesn't register the claim against the quota with HMRC, which can lead to revenue loss. Retrospective claims must be filed with form C285, a step freight forwarders often overlook, exposing importers to significant duty bills.

Why Customs Agents Matter

Freight forwarders specialise in moving goods, while experienced customs agents handle compliance risks. Agents who proactively submitted C285 forms, ensured compliance and correct quota allocation for their importers, and used special procedures where appropriate to maximise quota effectiveness. Following Brexit, customs declarations surged by 27 million annually, leading many forwarders and hauliers to take on customs roles without adequate experience, increasing compliance risks for importers.

Don't let poor paperwork 'steel' your duty

A customs declaration is a legal filing with HMRC, similar to a tax return. Entrusting it to an inexperienced forwarder can result in significant financial exposure. In one case, an importer lost over £170,000 due to missed deadlines and unclaimed steel quotas. Steel quotas are renewed only four times a year; therefore, importers should review their post-Brexit steel imports to ensure quotas were correctly claimed and, when in doubt, work with experienced customs agents to manage both compliance and logistics.



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We're here to support you!

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