

2018

VALIDATION OF VAT DEFERRED PAYMENT SCHEME (VDPS) DECLARATIONS

Quick User Guide

Version 1.0

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MRA CUSTOMS



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1. INTRODUCTION

The purpose of this guide is to assist declarants/importers in preparing and validating a VDPS bill of entry using the Front End System (FES). It is to be noted that for each capital goods for which the importer intends to benefit the VDPS, two (2) Items need to be created on the BOE: The first item being a normal declaration while second item will use CPCs namely 40VDS or 47VDS or 49VDS based on the Customs procedure at importation to cater for the VAT deferred amount.

2. VALIDATION OF ONE (1) ITEM CAPITAL GOODS THROUGH THE FRONT END SYSTEM (DIRECT IMPORT)

Similar to a normal declaration, the user should input all the particulars in all screens in the (FES).

Job No	Status	Approved Status
18091600047TNCUST04	Incomplete	Created

Tpt Mode	3 BY SEA	Place of L/S	NCTM NEW CONTAINER TERMINAL	Storage Area	NCTM NEW CONTAINER TERMINAL
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Report No	0007818	Report Date	17/08/2018	B/L No	MEDUNS195596
Manifested Frt	USD 1,045.00	Total Invoice	USD 30000	Total FOB Fcy	USD 30000
Gross Mass	14920.000	Net Mass	14920.000	Rate	34.8365
Total Pkg	100	Volume (M3)		Total FOB Ncy	1045095
City of C/D	AU AUSTRALIA	Total Freight	USD 1045	Total Other Cost	0
License Type	REG REGULAR IMPORTS OR EXPORTS	Total Insurance	USD 955		
Dly Terms	03 FREE ON BOARD				
Dly Terms Plc	XXX				

Vsl/Aircraft ID	MSC CLUNY	Voyage No	
ETD		Nationality	AU AUSTRALIA

Port of L/U	MUPLU PORT LOUIS *PORT *	Pro-rate Flag (G/V/F)	G
Entry/Exit Off	PLO2 CUSTOMS & EXCISE DEPARTMENT	Container Indicator(G/F/L)	F
Warehouse Code		Valuation method	1
		Header 1	Header 3

- The capital goods should first be created at Item level with the regular CPC used by the user (e.g :40000).

Note:

- If an exemption was granted on the capital goods, the **Exemption CPC** would have been used instead of the regular one.
- The total Weight, Pkg & FOB input at Item level should be same as declared in Header 2 as shown above

Mauritius TradeNet System - Bill of Entry - [Item Segment]

Action Communication Window

Job No: 18091600047TNCUST04 Status: Incomplete Approved Status: Created

Item No: 001 HS Code: 84659300 Regime Code: 40

Number & Kind: 100 PK

Description: GRINDING & POLISHING MACHINES

Cty Orig/Dest: AU AUSTRALIA

Zone: GEN CPC: 40000 Vol: Net Wt (KG): 14920.000

Gross Wt (KG): 14920.000

FOB Fcy: USD 30000 FOB Ncy: 1045095

Freight: USD 36404 Insurance: USD 33269

Others: 0 CV Ncy: 1114768

Supp U1: 4.000 Supp U2: Reserve Value: Duty Exempted: 0

BG Amt: Previous Dec Item No: Duty Payable: 167215

Prev Dec: Time Limit: 0

Item No	HS Code	Comp Status	Z
001	84659300	C	GEN

Total Item: 1

Pop Confirm Window

Controls: Ins Dup Del Prev Retv Save Clear

Tax Prev Dec Annexed Docs License

- After clicking on button 'Tax', the total Vat Payable on the Capital goods can be viewed.

Item Duty & Tax Details

Item No: 001 HS Code: 84659300 Tax Modifiable?: N

User Defined	Tax	Base Amt	TBC	Rate	Amt Exempted	Amt Payable
N	01	1114768.000	24	0.000	0	0
N	07	1114768.000	30	15.000	0	167215

Total Amt Exempted: 0 Total Amt Payable: 167215

OK

- After saving Item No. 001, a second Item should be created to cater for the VAT deferred as shown in the following diagram

The screenshot shows a software window titled 'Action Communication Window'. At the top, there is a toolbar with various icons. Below the toolbar, the 'Job No' is 18091600047TNCUST04, 'Status' is Incomplete, and 'Approved Status' is Created. The main form contains the following fields:

- Item No:** 002
- HS Code:** 84659300
- Regime Code:** 40
- Number & Kind:** 1
- Description:** GRINDING & POLISHING MACHINES
- Cty Orig/Dest:** AU AUSTRALIA
- Zone:** GEN CPC 40VDS Vol
- Gross Wt (KG):** 1.000
- Net Wt (KG):** 1.000
- FOB Fcy:** USD 1
- Freight:** USD 1
- Insurance:** USD 1
- CV Ncy:** 37
- Supp U1:** 4
- Supp U2:**
- BG Amt:**
- Duty Payable:**
- Duty Exempted:**
- Prev Dec:**
- Previous Dec Item No:**

On the right side, there is a table with the following data:

Item No	HS Code	Comp Status	Z
001	84659300	C	GEN

Below the table, there is a 'Total Item' field with the value 1 and a checked 'Pop Confirm Window' checkbox. At the bottom right, there is a 'Controls' panel with buttons: Ins, Dup, Del, Prev, Retv, Save, Clear.

- New CPC 40VDS should be input with Gross weight, Net weight, FOB, Freight, and Insurance all set to unit one (1).
- Supplementary Unit should be same as declared in Item No.001.
- Again click on button 'Tax' to open duty & tax details.

Action Communication Window

Job No: 18091600047TNCUST04 Status: Incomplete Approved Status: Created

System Defined Tax Summary and User Defined Tax at Item Level

User Defined	Tax Code	Tax	Duty Exempted	Duty Payable
N	01	Import Customs Duty	0	0
N	07	VALUE ADDED TAX	0	167215
Y	88	VAT DEFERRED PAYMENT SCHEME	0	-167215

User Defined (at entry level)

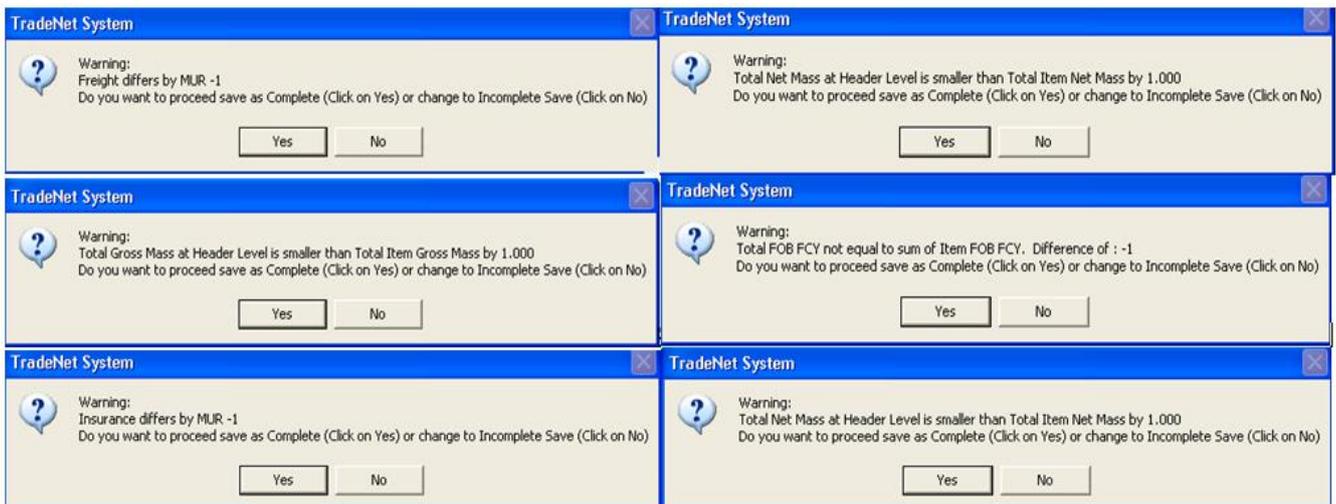
User Defined	Tax Code	Tax	Duty Payable	Duty Exempted

Total Duty Exempted: 0 Total Duty Payable: 0
 Mode of Payment: CASH Deferred Payment Date:
 Receipt No: Receipt Date/Time:
 Buttons: Ins, Del, Prev

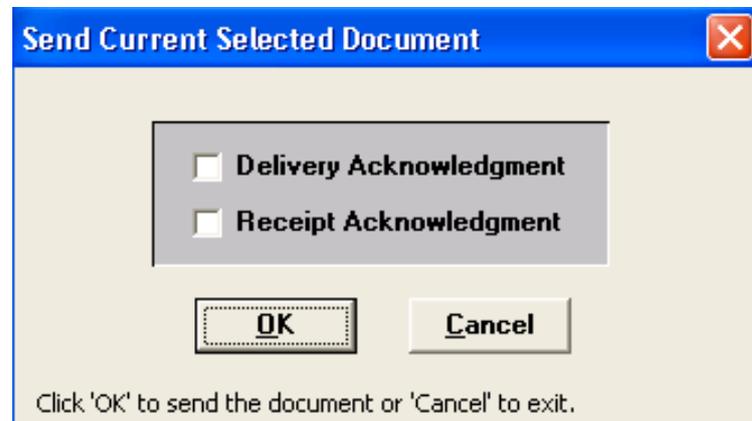
- The declaration can now be sent for validation where a declaration number will be allotted upon **acceptance** by system.

Note:

The following pop-up boxes will be displayed when sending the declaration



Click on button 'Yes' for each & then the regular send box will appear to proceed.



3. VALIDATION OF MULTIPLE ITEMS CAPITAL GOODS THROUGH THE FRONT END SYSTEM (DIRECT IMPORT)

For declarations with multiple capital goods, the same principle will apply, however, except the followings:

1. If there is more than one capital goods with different HS codes, the Total FOB fcy should be increased by (One (1) unit X number of items of Capital goods). For e.g. If there are two (2) items of capital goods with FOB value of USD 30,000, therefore the Total FOB fcy will be $30,000 + (\text{USD}1 \times 2) = \text{USD } 30,002$.
2. The Two (2) extra FOB amount will cater for the Items with CPC VDPS, without affecting the VAT amount payable on these Capital goods when using normal CPC
3. Below shows how to proceed with the validation of BOE with Multiple Capital goods

Action		Communication		Window	
				Job No	Status
				18091600047TNCUST04	Incomplete
					Created
Tpt Mode	BY SEA	Place of L/S	NCTM	NEW CONTAINER TERMINAL	
		Storage Area	NCTM	NEW CONTAINER TERMINAL	
Report No	0007818	Report Date	17/08/2018	B/L No	MEDUNS195596
Manifested Frt	USD 1,045.00	Total Invoice	USD 30000	Total FOB Fcy	USD 30002
Gross Mass	14920.000	Net Mass	14920.000	Rate	34.8365
Total Pkg	139	Volume (M3)		Total FOB Ncy	1045165
Cty of C/D	AU AUSTRALIA	Total Freight	USD 1045	Total Other Cost	0
License Type	REG REGULAR IMPORTS OR EXPORTS	Total Insurance	USD 955		
Dly Terms	03 FREE ON BOARD				
Dly Terms Plc	XXX				
Vsl/Aircraft ID	MSC CLUNY	Voyage No			
ETD		Nationality	AU AUSTRALIA		
Port of L/U	MUPLU PORT LOUIS *PORT *	Pro-rate Flag (G/W/F)	G		
Entry/Exit Off	PL02 CUSTOMS & EXCISE DEPARTMENT	Container Indicator(G/F/L)	F		
Warehouse Code		Valuation method	1	Header 1	Header 3

Action Communication Window

Job No: 180916000451NCUST04 Status: Completed Approved Status: Created

Item No: 001 HS Code: 84659300 Regime Code: 40

Number & Kind: 100 [FK] Description: GRINDING & POLISHING MACHINES

Cty Orig/Dest: AU AUSTRALIA

Zone: GEN CPC 40000 Vol

Gross Wt (KG): 10000.000 Net Wt (KG): 10000.000

FOB Fcy USD: 20000 Net Wt (KG): 696730

Freight USD: 24399 Insurance USD: 22298

Others: 0 CV Ncy: 743427

Supp U1: 4.000 Supp U2:

BG Amt: Reserve Value

Duty Payable: 111514 Duty Exempted: 0

Prev Dec: 0 Previous Dec Item No:

Time Limit:

Controls: Ins Dup Del Retv Save Clear Prev

Tax Prev Dec Annexed Docs License

Item Duty & Tax Details

Item No: 001 HS Code: 84659300 Tax Modifiable?: N

User Defined	Tax	Base Amt	TBC	Rate	Amt Exempted	Amt Payable
N	01	743427.000	24	0.000	0	0
N	07	743427.000	30	15.000	0	111514

Total Amt Exempted: 0 Total Amt Payable: 111514

OK

Job No: 180916000451NCUST04 Status: Completed Approved Status: Created

Item No: 002 HS Code: 84659300 Regime Code: 40

Number & Kind: 1 [NFKP] Description: GRINDING & POLISHING MACHINES

VDPS

Cty Orig/Dest: AU AUSTRALIA

Zone: GEN CPC 40VDS Vol

Gross Wt (KG): 1.000 Net Wt (KG): 1.000

FOB Fcy USD: 1 Net Wt (KG): 35

Freight USD: 1 Insurance USD: 1

Others: 0 CV Ncy: 37

Supp U1: 4.000 Supp U2:

BG Amt: Reserve Value

Duty Payable: Duty Exempted

Prev Dec: Previous Dec Item No:

Time Limit:

Controls: Ins Dup Del Retv Save Clear Prev

Tax Prev Dec Annexed Docs License

Item Duty & Tax Details

Item No: 002 HS Code: 84659300 Tax Modifiable?: Y

User Defined	Tax	Base Amt	TBC	Rate	Amt Exempted	Amt Payable
Y	88	-743427.000		15.000	0	-111514
N	01	37.000	24	0.000	0	0
N	07	37.000	30	0.000	0	0

Total Amt Exempted: 0 Total Amt Payable: -111514

Enter the Amount Payable (Mandatory)

OK

Action Communication Window

Job No: 180916000451NCUST04 Status: Completed Approved Status: Created

Item No: 003 HS Code: 84721000 Regime Code: 40

Number & Kind: 39 [FK] Description: DUPLICATING MACHINES

Cty Orig/Dest: AU AUSTRALIA

Zone: GEN CPC 40000 Vol

Gross Wt (KG): 4320.000 Net Wt (KG): 4320.000

FOB Fcy USD: 10000 Net Wt (KG): 348965

Freight USD: 12005 Insurance USD: 10971

Others: 0 CV Ncy: 371341

Supp U1: 2.000 Supp U2:

BG Amt: Reserve Value

Duty Payable: Duty Exempted

Prev Dec: 0 Previous Dec Item No:

Time Limit:

Controls: Ins Dup Del Retv Save Clear Prev

Tax Prev Dec Annexed Docs License

Item Duty & Tax Details

Item No: 003 HS Code: 84721000 Tax Modifiable?: N

User Defined	Tax	Base Amt	TBC	Rate	Amt Exempted	Amt Payable
N	01	371341.000	24	30.000	0	111402
N	07	482743.300	30	15.000	0	72411

Total Amt Exempted: 0 Total Amt Payable: 183813

OK

Action Communication Window

Job No: 180916000451NCUST04 Status: Completed Approved Status: Created

Item No: 004 HS Code: 84721000 Regime Code: 40

Number & Kind: 1 [NFKP] Description: DUPLICATING MACHINES

VDPS

Cty Orig/Dest: AU AUSTRALIA

Zone: GEN CPC 40VDS Vol

Gross Wt (KG): 1.000 Net Wt (KG): 1.000

FOB Fcy USD: 1 Net Wt (KG): 35

Freight USD: 1 Insurance USD: 1

Others: 0 CV Ncy: 37

Supp U1: 2.000 Supp U2:

BG Amt: Reserve Value

Duty Payable: Duty Exempted

Prev Dec: Previous Dec Item No:

Time Limit:

Controls: Ins Dup Del Retv Save Clear Prev

Tax Prev Dec Annexed Docs License

Item Duty & Tax Details

Item No: 004 HS Code: 84721000 Tax Modifiable?: Y

User Defined	Tax	Base Amt	TBC	Rate	Amt Exempted	Amt Payable
Y	88	-482743.300		15.000	0	-72411
N	01	37.000	24	0.000	0	0
N	07	37.000	30	0.000	0	0

Total Amt Exempted: 0 Total Amt Payable: -72411

Enter the Amount Payable (Mandatory)

OK

- Prior to sending of declaration for validation, summary of taxes need to be check for correctness of the VAT amount being differed as show below

Action Communication Window

Job No: 18091600045TNCUST04 Status: Completed Approved Status: Created

System Defined Tax Summary and User Defined Tax at Item Level

User Defined	Tax Code	Tax	Duty Exempted	Duty Payable
N	01	Import Customs Duty	0	111402
N	07	VALUE ADDED TAX	0	183925
Y	88	VAT DEFERRED PAYMENT SCHEME	0	-183925

User Defined (at entry level)

User Defined	Tax Code	Tax	Duty Payable	Duty Exempted

Ins
Del

Total Duty Exempted: 0 Total Duty Payable: 111402

Mode of Payment: Deferred Payment Date: Prev

Receipt No: Receipt Date/Time: Prev

4. VALIDATION FOR EX-WAREHOUSING OF ONE (1) ITEM CAPITAL GOODS THROUGH THE FRONT END SYSTEM

Input of first item of Capital goods will follow same process as a normal ex-warehousing declaration. The second (2) items where CPC VDPS is used, user should input fields as follows

Mauritius TradeNet System - Bill of Entry - [Item Segment]

Action Communication Window

Job No: 18092300145TNCUST04 Status: Incomplete Approved Status: Created

Item No: 002 HS Code: 84659300 Regime Code: 40

Number & Kind: 1 NKPK

Description: VDPS CAPOTAL GOODS

City Orig/Dest: AU AUSTRALIA

Zone: GEN CPC 47VDS Vol:

Gross Wt (KG): 1.000 Net Wt (KG): 1.000

FOB Fcy: USD 1 FOB Ncy: 35

Freight: USD 1 Insurance: USD 1

Others: 0 CV Ncy: 37

Supp U1: 1.000 Supp U2:

BG Amt: Reserve Value:

Duty Payable: -156764 Duty Exempted: 0

Item No	HS Code	Comp Status	Z
001	84659300	C	GEN
002	84659300	C	GEN

Total Item: 2

Pop Confirm Window

Prev Dec: Previous Dec Item No:

Time Limit:

Tax Prev Dec Annexed Docs License

Controls: Ins Dup Del Prev Retv Save Clear

The only exception when creating the ex-warehousing item with CPC 47VDPS is that no previous declaration is required. It is to be noted for the normal CPC 47..., it will be mandatory to insert the previous declaration.

NOTE:

FOB declared on the warehousing declaration should be completely used on the ex-warehousing normal CPC and not reserve on Unit FOB Value for CPC VDPS.

5. POSSIBLE REASONS FOR REJECTION OF VDPS DECLARATIONS

- The Total Duty-Paid Value for all Capital goods using VPDS CPCs in same BOE is less than Rs 1M.
- Use of VDPS CPC for a not valid Importer
- VDPS VAT Amount is Greater than Amount VAT payable on Capital goods
- HS Code Used Not Found Under Importer HS Code For VDPS
- Invalid HS Code Used For VDPS CPC
- Front End System has not been updated accordingly

Note:

“duty-paid value”, in relation to capital goods, means the sum of –

- (a) the value of the capital goods; and
- (b) the duty, excise duty and taxes payable on the capital goods.

6. CONCLUSION

This guideline has been made in order to help Declarants / Importers to correctly validate declarations for those importers who have been duly registered to VDPS.

7. CONTACTS

In case there are any queries, please contact MRA Customs CMS/IT Section

Phone No: 2020500 & EXT:

7650 – Mr Naden Vencatachellum

7667 – Mr Nunkoomar Issory

7646 – Mr Nanda Appadoo

7663 – Ms Joanne Licho

7662 – Ms Yachna Oochit