



HMRC Guarantees Overview

Import VAT, customs duty and excise duty, if due, are payable at the time of importing goods into the UK.

Importers can defer these payments due to HMRC for between 2 and 6 weeks – an average of 30 days credit – by applying for a deferment account number (DAN) which must be supported by a guarantee for twice the monthly deferment limit*. This allows fees to be paid on account instead of payment for individual consignments as they arrive in the UK. Utilising this facility improves the efficiency of the customs process, with goods being processed more efficiently at the point of entry. Importantly it provides a significant cash flow enhancement for businesses engaged in international trade.

From 2021, HMRC announced schemes for importers to request waivers of guarantees which could significantly reduce the amount of guarantee required by HMRC, subject to the financials of the importer and its compliance record with HMRC.



As an alternative to securing this facility via a bank guarantee, Aon's Surety specialists can facilitate the placement of the guarantee in the surety market, which can deliver:

- Improved cash flow
- Freeing up of bank funding capacity
- A reduction in the tangible security required by guarantors (comparative to banks)
- Reduced administration by grouping guarantee requirements into a single annual transaction
- Improved efficiency with the customs process
- Competitive rates



Charges that can be deferred:*

- Customs duties
- Import VAT
- Excise duty VAT
- Excise duties (including Tobacco Products Duty)
- Positive Monetary Compensatory Amounts under the Common Agricultural Policy
- Anti-dumping or countervailing duties imposed by the EU

We're here to empower results

For more information, please contact:

Daniel Storr
daniel.storr@aon.co.uk
+44 (0)1245 709119

James Ellison
james.ellison@aon.co.uk
+44 (0)1737 783609

Joe Rennicks
joe.rennicks@aon.co.uk
+44 (0)161 687 2330

* www.gov.uk/guidance/how-to-use-your-duty-deferment-account

About Aon

Aon plc (NYSE:AON) is a leading global provider of risk management, insurance brokerage and reinsurance brokerage, and human resources solutions and outsourcing services. Through its more than 50,000 colleagues worldwide, Aon unites to empower results for clients in over 120 countries via innovative risk and people solutions. For further information on our capabilities and to learn how we empower results for clients, please visit: <http://aon.mediaroom.com>.

© Aon plc 2021. All rights reserved.

The information contained herein and the statements expressed are of a general nature and are not intended to address the circumstances of any particular individual or entity. Although we endeavor to provide accurate and timely information and use sources we consider reliable, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.

Aon UK Limited is authorised and regulated by the Financial Conduct Authority.

FP.GBC.348.JJ(H)

aon.com

AON
Empower Results®