



End Use Relief – Transfer of rights and obligations (TORO)

Customs Information Paper 12 (2017)	
Who should read:	All end use authorised traders who move goods along a supply chain
What is it about:	Further guidance concerning TORO
When effective:	Immediately
Extant until/ Expires	Upon publication of revised notice 3001

1. Background

Following discussions in the Special Procedures Expert Group the Commission has revised guidance including the TORO of goods along a supply chain under end use relief.

The revised guidance can be found at

https://ec.europa.eu/taxation_customs/business/union-customs-code/ucc-guidance-documents_en#special_procedures

General Information

TORO does not require the transferee to have a SPE authorisation. In principle two different procedures can be used for TORO:

- (1) TORO from the holder of a SPE authorisation (who has also a TORO authorisation) to a transferee who does not have any authorisation; or
- (2) TORO from the holder of a SPE authorisation (who has also a TORO authorisation) to a transferee who has a TORO authorisation.

(1) TORO from the holder of a SPE authorisation to a transferee who does not have any authorisation

The transferee does not have any authorisation relating to TORO. In this case the holder of the SPE authorisation needs to provide information about the discharge of the procedure in his bill of discharge. This requires in many cases exchange of commercially sensitive information between the (subsequent) transferee(s) and the holder of the SPE authorisation. The

transferee does not have an obligation to provide information about the discharge of the procedure to customs.

This type of TORO can be used both for partial and full TORO

(2) TORO from the holder of a SPE authorisation to a transferee who has a TORO authorisation.

The transferee needs to be granted a TORO authorisation before any transfer of rights and obligations can take place.

In this case the holder of a SPE authorisation needs to provide information on the TORO in his bill of discharge or, where a bill of discharge is not required, in his records. He does not have to provide information on the actual discharge to customs. There is no need to exchange (sensitive) information between the transferee(s) and the holder of a SPE authorisation. The transferee must provide information on the discharge or on a subsequent TORO to his supervising customs office. The transferee should provide information on the discharge or on a subsequent TORO to this supervising customs office within 30 days after the expiry of the time-limit for discharge or, in case of customs warehousing, within 30 days after the day on which TORO took place.

1. The transferor's responsibility for the goods subject to TORO can cease completely at the time of transfer based on the conditions of the transfer. Thus, a holder of an end-use or inward processing authorisation should provide information in the bill of discharge about a full TORO which means that the transferee became the holder of the procedure. Consequently the holder of the end-use or inward processing authorisation does not have any rights and obligations after the transfer regarding the goods which were released for the end-use or inward processing procedure under coverage of his end-use or inward processing authorisation.
2. Where TORO involves more than one Member State a prior consultation of the Member States concerned is necessary.
3. The obligations that are transferred include the obligation to discharge the procedure within the period for discharge (not relevant for customs warehousing). The information about the discharge or another TORO must be submitted by the transferee to his supervising customs office.
4. If an end-use or inward processing authorisation includes a rate of yield, then the rate of yield may be adjusted (see paragraph two of Article 255 UCC).

This type of TORO can only be used for a full TORO.

2. Procedure

In order to undertake a full TORO under end use using option 2 as described above:

- a guarantee must be provided by the importer to hold the end use authorisation. TORO applicants will not be issued with an end use authorisation.
- if goods are sent to a processor that processor must have a TORO authorisation (applied for in advance of the import).
- the processor must provide a comprehensive guarantee to use at the time of TORO. Upon receipt of the guarantee from the processor the importers guarantee is released.
- the TORO authorisation can be granted before the goods are imported and does not have to be for named processors. The processor can only benefit from TORO if they have a TORO authorisation and they have put up a guarantee. This can apply for one Member State or multiple Member States
- importer must submit the Bill of Discharge.
- the transferee must inform the customs supervising office the procedure has ended or another TORO has been approved within 30 days after the expiry of the time limit for discharge.
- the Importer (Holder of the authorisation) must indicate in their BoD the information regarding the TORO.

- to use the TORO in this way the TORO form in the guidance must be used. The TORO authorisation holder sends copy 1 to the transferor and copy 2 to their supervising office .The TORO authorisation holder retains copy 3.The importer's end use authorisation number and the TORO authorisation would be required on any documents.
- the processor cannot process more goods than the guarantee allows. If the processor has exceeded the guarantee amount a debt is incurred.

Further details are contained in the guidance. Although the case details fish importers / processors the concept will be extended to any traders as long as the conditions above are followed.

3. Contacts.

Further information can be obtained from
customs.specialprocedures&reliefs@hmrc.gsi.gov.uk

Issued on 10 July 2017 by Customs Directorate, HMRC.

For general HMRC queries speak to the VAT, Excise and Customs Helpline on Telephone: 0300 200 3700.

Your Charter explains what you can expect from us and what we expect from you.
For more information go to: [Your Charter](#)