

TAX CONSULTING

INDIRECT TAXATION SUPPORT FOR INDIRECT CUSTOMS REPRESENTATIVES

In this information, we present the advantages and the risks of the services provided by indirect customs representatives with an import VAT self assessment license.

We would like to help the enterprises who act in this capacity in relation to the import transactions of their clients by identifying the risks coming with acting as an indirect customs representative and by sharing the experience we gathered in the responsible management of these risks.

WHY DO WE, AS A TAX ADVISOR COMPANY, SUPPORT THE ENTERPRISES ACTING AS INDIRECT CUSTOMS REPRESENTATIVES?

We believe that in today's economic environment every solution that allows clients to operate more efficiently has a special role. The indirect customs representatives operating with an import VAT self assessment license moderate the import VAT financing burdens of their clients significantly while, based on the relevant legal regulations, they assume undivided and joint liability for the payment of the import VAT. As a tax advisor we help in the identification and the responsible management of this risk.

WHO IS OUR OFFER FOR?

We offer our service to the enterprises with import VAT self assessment license who provide indirect customs representation services and would like to assess and manage the relating risks comprehensively.

HOW CAN WE HELP?

The joint and several liability of the indirect customs representatives with import VAT self assessment license comes with a substantial risk. For this reason, the careful planning of the contractual basis of the representation engagements and the procedures relating to customer identification, risk analysis and customs clearance is essential for the minimization of the tax risk of the representatives and that is where the added value of our advisory service lies.

The financing advantages of commissioning an indirect customs representative with an import VAT self assessment license are presented in the following tables:

THE PERIOD OF IMPORT VAT FINANCING IN THE CASE OF COMMISSIONING AN INDIRECT CUSTOMS REPRESENTATIVE WITH IMPORT VAT SELF ASSESSMENT LICENSE IS AS FOLLOWS:

- in the case of monthly tax return filers

Without engaging an indirect customs representative with import VAT self assessment license				Period of VAT financing when engaging an indirect customs representative with import VAT self assessment license
Date of importation	Due date of VAT return filing	Number of days until reclaiming VAT	Number of days until the disbursement of the reclaimed VAT	
First day of the month	20th day following the current month	45 days	95 days	0 days
		75 days	125 days	
Last day of the month		45 days	65 days	
		75 days	95 days	

- in the case of quarterly tax return filers

Without engaging an indirect customs representative with import VAT self assessment license

Date of importation	Due date of VAT return filing	Number of days until reclaiming VAT	Number of days until the disbursement of the reclaimed VAT	Period of VAT financing when engaging an indirect customs representative with import VAT self assessment license
First day of the quarter	20th day following the current quarter	45 days	155 days	0 days
		75 days	185 days	
Last day of the quarter		45 days	65 days	
		75 days	95 days	

WHY SHOULD YOU TURN TO US?

- Based on the information received from our client, we analyse the processes performed under the indirect customs representation and evaluate the obligations and risks of the representative.
- Based on the results, we suggest a modification of the representation service contract presenting and protecting the interests of the representative at each point of the process. We give advice as to how you can provide an efficient service at minimal risk.

- Based on joint risk minimization work – with the help of our professional background and experience – we summarize the practical information necessary for the accurate fulfilment of the tax obligations assumed and help you in the compilation of the VAT documentation in compliance with the relevant legal regulations.

Considering the substantial burden that VAT financing means for the companies, we believe that this product of ours is an effective contribution to the moderation of the risks of the services of customs representatives with an import VAT self assessment license.

RSM HUNGARY TAX AND FINANCIAL ADVISORY SERVICES PLC.

Accounting, tax consulting, payroll and HR consulting – these are the pillars of RSM Hungary Plc. Thanks to the outstanding quality we deliver our company is now acknowledged as one of the dominant market players of the Hungarian consulting community. In order to provide our clients with full range of financial consulting services RSM Audit Plc.'s services complement the activities of RSM Hungary Plc.

In addition to medium-sized Hungarian enterprises, foreign-owned multinational companies also represent a significant part of our client portfolio.

IN CASE YOU ARE INTERESTED, OR IF YOU HAVE ANY QUESTIONS, PLEASE CONTACT US:

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OUR SERVICES

- Tax
- International tax representation
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- Payroll
- Audit
- HR
- Web solutions

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RSM is the 7th largest network of independent audit, tax and advisory firms in the world. RSM has correspondent firms in 112 countries, 732 offices worldwide.

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