

EY Tax Alert

CBIC notifies ICEGATE as Common Customs Electronic Portal and relaxes timelines for filing Bill of Entry

Tax Alerts cover significant tax news, developments and changes in legislation that affect Indian businesses. They act as technical summaries to keep you on top of the latest tax issues. For more information, please contact your EY advisor.

Executive summary

This Tax Alert summarizes the recent notifications and circular¹ issued by the Central Board of Indirect Taxes and Customs (CBIC) in view of the recent amendments made *vide* the Finance Act, 2021.

The key changes are:

- ▶ ICEGATE (<https://www.icegate.gov.in/>) has been notified as the Common Customs Electronic Portal (Common Portal) for facilitating registration, filing of Bill of Entry (BoE), shipping bills, other prescribed documents and forms, payment of duty and for data exchange with other systems within or outside India.
- ▶ Time limit for filing BoE is relaxed in case of goods consigned from specified countries arriving at sea port and for all goods arriving at a customs airport or land customs station.
- ▶ Master Bill of Lading / Master Airway Bill are not required at the time of filing BoE in advance. The details can be updated subsequently on the Common Portal by the importer and the same will be auto-approved.

^[1] Notification Nos. 33-36/2021-Customs (N.T.) dated 29 March 2021 and Circular No.08/2021-Customs dated 29 March 2021

Background

- ▶ In the recent Union Budget 2021-22, certain amendments were proposed in the Customs Act, 1962 (the Customs Act).
- ▶ The Finance Bill, 2021 received the Presidential assent on 28 March 2021 and Finance Act, 2021 has been enacted.
- ▶ Section 154C has been inserted to empower Central Board of Indirect Taxes and Customs (CBIC) to notify a Common Portal for facilitating registration, filing Bill of Entry (BoE), shipping bills, other prescribed documents and forms, payment of duty etc.
- ▶ Further, section 46 has been amended to provide that BoE needs to be filed by the end of day (including holidays) preceding the day on which the vessel/ aircraft/ vehicle arrives.

However, CBIC can prescribe different time limits for filing BoE in certain cases, which shall not be later than the end of day on which the goods arrive.

- ▶ Section 149 has also been amended to provide that certain amendment in documents can be done by the importer or exporter on the Common Portal.
- ▶ In light of the above, CBIC has issued notifications and a circular².

ICEGATE notified as Common Portal³

- ▶ ICEGATE (<https://www.icegate.gov.in/>) is notified as the Common Customs Electronic Portal for facilitating registration, filing BoE, shipping bills, other prescribed documents and forms, payment of duty, for data exchange with other systems within or outside India and for other functions to be carried out through common portal.

Time limit for filing BoE⁴

- ▶ Amendments have been made to the Bill of Entry (Electronic Integrated Declaration and Paperless Processing) Regulations, 2018 and Bill of Entry (Forms) Regulations, 1976.
- ▶ The timelines prescribed for filing BoE are tabulated below:

Customs Station	BoE to be filed before the EOD of arrival of vessel/ aircraft/ vehicle (cases where relaxation is provided)	BoE to be filed before EOD preceding the day of arrival of vessel/ aircraft/ vehicle (cases where no relaxation is provided)
Sea Port	Goods consigned from Bangladesh, Myanmar, Maldives, Sri Lanka and Pakistan	Goods consigned from all other countries
Airport	All imports	-
Land Customs Station	All imports	-
Inland Container Depot/ Air Freight Station	-	All imports

- ▶ In respect of goods arriving at seaports, country from where the goods have been consigned by the exporter of the goods is to be considered.

Example -

In respect of the goods consigned from Sri Lanka by the Sri Lankan exporter, BoE is to be filed latest by EOD of the arrival of the vessel.

However, in respect of the goods consigned from Hong Kong, but merely transshipped through Sri Lanka, BoE is required to be filed latest by EOD preceding the day of arrival of vessel.

- ▶ Further, it has been clarified that the existing provision allowing presentation of BoE up to 30 days prior to the expected arrival of the aircraft/ vessel/ vehicle carrying the imported goods, continues.
- ▶ Delay in filing BoE beyond the prescribed timelines shall attract late charges. The relevant dates for determining the late charges for different types of Customs Stations remains unchanged.

² Circular No.08/2021-Customs dated 29 March 2021

³ Notification No. 33/2021-Customs (N.T.) dated 29 March 2021

⁴ Notification Nos. 34-35/2021-Customs (N.T.) dated 29 March 2021

Removal of MBL / MAWB for filing BoE in advance

- ▶ Non-availability of Master Bill of Lading (MBL)/ Master Airway Bill (MAWB) within the prescribed time limits leads to delay in filing BoE in advance.
- ▶ Accordingly, CBIC clarified that MBL/ MAWB shall not be required for filing BoE in advance. Only the reference to House Bill of Lading (HBL)/ House Airway Bill (HAWB) would be sufficient.

Thus, an importer can now file advance BoE on the basis of either MBL/ MAWB or HBL/ HAWB or both.

- ▶ In cases where BoE has been filed only with HBL/ HAWB, it is proposed to enable an option in ICEGATE for the importer to subsequently update MBL/ MAWB in the BoE, to regularize the BoE filed in advance with the Arrival Manifest⁵.

Such updation would be auto approved in the Customs Automated System without the need for approval of a Customs officer.

- ▶ Since such amendments would be auto approved, they will not be subject to levy of fees under the Levy of Fees (Customs Documents) Regulations, 1970.

Comments

- a. The Common Customs Electronic Portal is likely to facilitate faster clearance of goods and ease of doing business.
- b. Relaxation provided in respect of timelines to file BoE and non-submission of MBL/ MAWB for advance BoE, may bring much needed relief to the importers.

⁵ Notification No. 36/2021-Customs (N.T.) dated 29 March 2021

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