



## Customs and Excise (Refunds and Remissions) Amendment Regulations 2020

Patsy Reddy, Governor-General

### Order in Council

At Wellington this 25th day of May 2020

Present:

Her Excellency the Governor-General in Council

These regulations are made under section 171 of the Customs and Excise Act 2018—

- (a) on the advice and with the consent of the Executive Council; and
- (b) on the recommendation of the Minister of Customs made in accordance with that section.

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## Regulations

### 1 Title

These regulations are the Customs and Excise (Refunds and Remissions) Amendment Regulations 2020.

### 2 Commencement

These regulations come into force on 29 May 2020.

### 3 Principal regulations

These regulations amend the Customs and Excise Regulations 1996 (the **principal regulations**).

### 4 New regulation 71E inserted (Refunds and remissions of interest and penalty due to COVID-19)

After regulation 71D, insert:

#### 71E Refunds and remissions of interest and penalty due to COVID-19

- (1) For the purposes of section 171 of the Act, this regulation prescribes circumstances in which the chief executive must remit or refund any interest or penalty that is payable by a duty payer under subpart 8 of Part 3 of the Act.
- (2) The chief executive must remit or refund the interest or penalty if—
  - (a) the payment date for the duty in respect of which the interest or penalty is (or was) payable is on or after 25 March 2020; and
  - (b) in the case of interest, the interest accrued on or after 25 March 2020; and
  - (c) the duty payer's ability to pay the duty before the close of the payment date is (or was) significantly adversely affected by the effects of COVID-19; and
  - (d) the duty payer notifies Customs, before, on, or as soon as is reasonably practicable after the payment date, that they are or were unable to pay the duty before the close of the payment date for the reason specified in paragraph (c); and
  - (e) the duty payer has—
    - (i) paid the duty (after the payment date); or
    - (ii) entered into an agreement under which Customs has agreed to accept payment of the duty by a specified date or by instalment over a specified period.
- (3) In this regulation, **payment date** has the meaning given in section 160(2), (4), or (6) of the Act (as applicable).
- (4) This regulation is revoked on 25 March 2022.

Michael Webster,  
Clerk of the Executive Council.

## Explanatory note

*This note is not part of the regulations, but is intended to indicate their general effect.*

These regulations amend the Customs and Excise Regulations 1996 (the **principal regulations**) and come into force on 29 May 2020.

These regulations insert *new regulation 71E* into the principal regulations.

*New regulation 71E* prescribes circumstances in which Customs must refund or remit interest or penalty payable in respect of duty that is not fully paid on or before the relevant payment date. In summary, Customs must refund or remit the interest or penalty if the duty payer's ability to pay on time is (or was) significantly adversely affected by the effects of COVID-19, the duty payer notified Customs of that fact, and the duty has subsequently been paid (or Customs has agreed to accept payment of the duty on a later date or by instalment).

*New regulation 71E* provides for its own revocation on 25 March 2022.

Issued under the authority of the Legislation Act 2012.

Date of notification in *Gazette*: 28 May 2020.

These regulations are administered by the New Zealand Customs Service.