

Custom Duty Shipment Handling Work Instructions

Owner: Director, Operations
Department: Operations

Work Instruction	Custom Duty Shipment Handling
Overview	<p>Customs Duty Shipments are those international inbound shipment on which customs will impose duties.</p> <p>Following are the percentages of customs duties in Saudi Arabia:</p> <ul style="list-style-type: none"> • 5% • 12% • 20% • 100% <p>Above percentage totally depends on the commodity and customs tariff.</p> <p>Note: there are certain commodities which are exempted from customs tariff, but customs service charges will still be applicable.</p>
Person Affected	All staffs handling customs duty shipments/invoices.
Instruction	<ul style="list-style-type: none"> • All the high value shipments (above USD 100) are aligned separately at the airport clearance terminal by Line haul & Gateway clearance staff. • Paperwork (original air waybill, certificate of origin etc) for high value shipments are pulled, stapled and kept along with the shipments for inspection by customs authorities. • Once inspection is completed all the dutiable shipments paperwork are received from the customs and information is entered into customs system by clearing agent. • As and when information is entered into the customs system a customs duty statement is printed on A4 size paper simultaneously. • Customs duty statement along with original paperwork is filed (file per shipment) and submitted to bank for payment (this is done after two days of shipment's clearance) • Once payment is done original bank receipt along with the file is submitted to customs. On the other hand copy of customs duty invoice along with a copy of air waybill & other related paperwork is forwarded to finance for preparing CD invoices. • Dutiable shipments are cleared and forwarded to hub/station for delivery purposes. • Finance staff will prepare CD invoices in accordance with available CD statement, copy of air waybill & other paperwork. Once invoices are prepared it's forwarded to station operations. • Station operations will stick the invoices in shipments and forward for delivery. • Once delivery is done concerned staff collects the customs duty charges and remit it to finance simultaneously.