



St Kitts ~ Nevis Customs & Excise Department

"To Protect and Collect"

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INVOICE POLICY

This policy document outlines, explains and includes the format and information that **must** be presented on an invoice submitted to the St. Kitts – Nevis Customs and Excise Department, for determining the Customs Value for goods imported or exported.

Invoice Definition

For customs purposes an invoice is a document used in foreign trade. It is provided by the person or corporation that is exporting good(s) across international borders, and is one of the primary documents used in making a customs declaration, in the importing or exporting country. It is an invoice for international trade required by customs, often in a specified format, in which the importer or exporter states the exporter's name and address, consignee name and address, description, quantity and selling price of goods, freight, insurance, and packing cost, terms of delivery and payment, the invoice currency, weight and /or volume of the goods for the purpose of determining the customs value at the import destination.

Legislation

All Custom's activities must be guided by the law and the requirement for the submission of an invoice is no different. The basis of the requirement of an invoice is seen in sections 38 subsections (1) which speak to the Entry of goods on importation, and section 50 subsection (1) (a) which speaks to the Entry of goods for exportation of the Saint Christopher and Nevis Customs Act No. 19 of 2014 which states respectively:

38. Entry of goods on importation.

(1) The importer of goods, other than goods which are exempt under subsection from the requirements of this section, shall submit to the proper officer a truthful

declaration or entry of the goods in such form and manner and within the relevant period or such other time period as may be prescribed.

50. Entry of goods for exportation.

(1) Subject to section 51, the exporter of goods, other than passenger accompanied baggage, shall submit to the proper officer an export declaration in respect of such goods –

(a) in such form and manner and containing such particulars as may be prescribed;

and

(b) within such time as may be prescribed or such further time as the Comptroller may allow

The form and manner for entry and declaration submission, requires the submission of the relevant documents to support the declared value for customs purposes. One such document is that of the true and correct invoice.

Guidelines and General Information

The following are general guidelines and information in respect to the submission of invoices for customs purposes. Adherence to these general guidelines and information would reduce the likelihood of entries and declarations made by importers, exporters or their agent or brokers being queried:

1. An invoice is a written contractual agreement between buyer(s) and seller(s) for goods purchased or supplied and represents a true and accurate reflection of the price paid, or payable for the goods declared.
2. All invoices submitted to the Customs Department, must be the authentic document supplied to the importer by the supplier of the goods. The importer is advised against making any marking on the invoice. Importers should not make any modification to the document. Changes can only be made by the seller of the goods.
3. Invoices presented to customs are to be written in English the official business language of the Federation. Invoices written in any language other than English must be translated in writing at the presenter's own expense. The translation of the document into the English language must be prepared by a person approved by the Comptroller of Customs in accordance with section 171 Customs Act, No. 19 of 2014 which states:

171. Documents in foreign language.

Where a person presents to a customs officer a document, in a foreign language, in relation to the carrying out of any duty or the exercise of any power under this Act or any other enactment, the customs officer may require the presenter of the document to supply to the customs officer, at the presenter's own expense, a translation of the document in the English language prepared by a person approved by the Comptroller of Customs.

Kindly note that any Embassy or Foreign Mission based in the Federation is authorised by the Comptroller of Customs to translate invoices listed in its official language into the English Language. Any other person translating invoices will be approved on a case by case basis. Please contact the Department if you are in doubt if the person or entity translating your invoice into to English is approved by the Comptroller, prior to having the document translated.

The invoice written in the foreign language must be presented to Customs along with the translated copy when making a declaration. The translated copy must be signed by the approved person, officer or organization personnel and where applicable the official seal must be affixed.

4. It is a requirement, for the purposes of international trade, that all invoice values must be independently verifiable. Goods purchased by cash cannot be independently verified in keeping with the Department's requirements for verification. **Please see valuation and proof of payment policies.** In light of this the Department is not obliged, to accept any document that cannot be independently verified, in keeping with the Departments requirements.
5. The goods declared must be goods sold for export to the Federation. Goods purchased on the local market in a foreign country do not constitute a sale for export. **Please see valuation policy.** The St. Kitts – Nevis Customs and Excise Department is not obliged, to accept any invoice that is not consistent with this stipulation.
6. To facilitate the processing of the declaration, importers should ensure that their suppliers list clearly, the type and quantity of any discount given that would cause the price listed on the invoice to vary from that advertised.
7. The minimum information required on a customs invoice to calculate the value for customs purposes is as follows:
 - a. **INVOICE DATE AND NO.**
The exporter's reference number and the date of preparation allotted to the invoice that distinguishes it from any other transaction. This the Unique Document Identifier

b. CUSTOMER'S ORDER NO.

The reference number given by the buyer in his/ her order should be stated here. In some instances the order number may be accepted as the unique document identifier e.g. the Amazon.com Order Number

c. SELLER / CONSIGNOR (NAME, FULL ADDRESS, COUNTRY)

Person or firm (usually the seller) who delivers a consignment to a carrier for transporting it to a consignee (usually the buyer) named in the transportation documents. Ownership (title) of the goods remains with the consignor until the consignee pays for them in full. Also spelled as consigner.

<http://www.businessdictionary.com/definition/consignor.html#ixzz3CSTHqQ8n>

d. IMPORTER / CONSIGNEE (NAME, FULL ADDRESS, COUNTRY)

A party (usually a buyer) named by the consignor (usually a seller) in transportation documents as the party to whose order a consignment will be delivered at the port of destination. The consignee is considered to be the owner of the consignment for the purpose of filing the customs declaration, and for paying duties and taxes. Formal ownership of the consignment, however, transfers to the consignee only upon payment of the seller's invoice in full.

<http://www.businessdictionary.com/definition/consignee.html#ixzz3CSUYLYgb>

e. DESCRIPTION OF GOODS OR SPECIFICATION OF COMMODITIES (IN CODE AND/OR IN FULL)

Each item should be identified in sufficient detail to allow for its recognition and for its correct classification using the Customs Tariff.

f. PACKING, FREIGHT, OTHER COSTS (SPECIFIC), (IF APPLICABLE)

Packing: Preparation of product or commodity for proper storage and/or transportation. It may entail blocking, bracing, cushioning, marking, sealing, strapping, weather proofing, wrapping, etc.

<http://www.businessdictionary.com/definition/packing.html#ixzz3CSXabglUA>

Freight: A charge paid for carriage or transportation of goods by air, land, or sea.

Goods may be transported on freight-prepaid or freight-collect basis:

- i. If the freight is paid by the consignor (as under C&F and CIF terms) the goods remain the consignor's property until their delivery is taken by the consignee upon their arrival at the destination, and payment of the consignor's invoice.
- ii. If freight is paid by the consignee (as under FOB terms) the goods become the consignee's property when handed over to the carrier against a bill of lading. It may be charged on the weight or volume of the shipment (depending upon its nature or density) and also varies according to the mode of shipment, such as bulk, break bulk, containerized.

<http://www.businessdictionary.com/definition/freight.html#ixzz3CSXFQlzb>

Both inland and overseas freight **must** be included in the Value for Customs Purposes.

Other Cost (Specific): All other cost incurred in the procuring of good(s) up to the point of importation, must be stated here e.g. documentary charges, royalties and license fees etc.

Note: Withholding applicable packing, freight or other cost may constitute an offence under the Customs Act with possible subsequent penalties. Please contact the Department, if you are unsure as to whether or not an amount you paid to the seller, agent, freight forwarder, shipper, or any other amount paid in relation to the goods, prior to importation, should be included in the Value for Customs Purposes.

g. INSURANCE (IF APPLICABLE)

Risk-transfer mechanism that ensures full or partial financial compensation for the loss or damage caused by event(s) beyond the control of the insured party.

(<http://www.businessdictionary.com/definition/insurance.html#ixzz3CTICunIE>)

These charges when included on the invoice should be shown in as detailed a manner as possible.

Note: Withholding applicable insurance information may constitute an offence under the Customs Act with possible subsequent penalties. Please contact the Department, if you are unsure as to whether or not an amount you paid to the seller, agent, freight forwarder, shipper, or any other amount paid in relation to the goods, prior to importation, should be included in the Value for Customs Purposes.

h. TERMS AND CONDITIONS OF DELIVERY AND PAYMENT

The conditions under which a seller will complete a sale. Typically, these terms specify the period allowed to a buyer to pay off the amount due, and may demand cash in advance, cash on delivery, a deferred payment period of 30 days or more, or other similar provisions

(<http://www.businessdictionary.com/definition/payment-terms.html#ixzz3CTK5vuRU>)

An accurate description of the terms of payment and delivery should be given in the invoice.

i. CURRENCY OF SALE

This the currency in which the transaction was made e.g. United States Dollars, European Union Dollars, Pound Sterling etc. The currency used on the invoice should be stated here.

- j. WEIGHT AND / OR VOLUME OF GOODS**
Weight is generally the shipping weight of the goods. Volume is the amount of 3-dimensional space an object occupies.
(<http://www.mathsisfun.com/definitions/volume.html>)
- k. QUANTITY**
The quantity of each commodity should be given, preferably in the unit in which it is priced.
- l. UNIT PRICE**
The unit price of each commodity in the currency quoted in the column headed "Amount" should be shown.
- m. AMOUNT**
The gross value of each commodity should be quoted. Discounts granted if any should be shown in this column.
- n. TOTAL INVOICE AMOUNT**
A grand total of the amount chargeable on the invoice should be included.
- o. CERTIFICATION, SIGNATURE (IF APPLICABLE)**
The declaration should be signed by the seller or by someone in a position to attest to the accuracy of the information on the invoice
8. Additional information that can be provided on an invoice is as follows:
- a. PORT OF LADING**
The port or place of loading of the goods in the country of export should be given.
- b. COUNTRY OF FINAL DESTINATION**
The country where the goods will enter into consumption should be stated here.
- c. SHIP/AIR/ETC.**
Identification of the means of transport and the inclusion of the name of the vessel or air carrier are required.
- d. OTHER TRANSPORTATION INFORMATION**
Other relevant transport data including transshipment arrangements should be stated.
- e. OTHER REFERENCES**
The information to be given here may include references to the pro forma invoice and the confirmation of the order.
- f. BUYER (IF OTHER THAN CONSIGNEE)**
The name and address of the buyer if he is not also the consignee, as in the case where a buying agent is used, should be shown here.

g. PRESENTING BANK OR OTHER FINANCIAL INSTITUTION

The name, address and contact information of the bank or financial institution handling the transaction must be given.

Note: It is a requirement, for the purposes of international trade, that all invoice values must be independently verifiable. Goods purchased by cash cannot be independently verified, in keeping with the Departments requirements for verification. In light of this the Department is not obliged, to accept any document that cannot be independently verified, in keeping with the Departments requirements.

h. COUNTRY OF ORIGIN OF THE GOODS

The last country in which significant production or manufacture of the goods took place should be stated. The carrying out of minimal working on the goods in a country, for example, changing the packing, sorting or grading, will not change the country of origin of good(s).

i. MARKS AND NUMBERS

The marking and numbers used on the outside packages should be quoted.

j. GROSS WEIGHT, kg

Total weight of a containerized or packaged shipment, computed as the sum of net weight (weight of the item) and tare (weight of the container and packaging material).

<http://www.businessdictionary.com/definition/gross-weight.html#ixzz3Cq4mie00>

The CARICOM Invoice format requires that the weight be listed in kilograms. However the Customs Department allows for the submission of invoices where the gross weight is listed in another form of measurement, once the form of measurement is clearly listed.

k. CUBE, m³

The cubic measurement of the outer packages should be stated in cubic metres.

l. NO. AND KIND OF PACKAGES

The number of outer packages and their type should be given.

m. NET WEIGHT, kg

Actual, computed, or estimated weight of a good without its container and/or packaging. Gross weight less tare weight equals net weight.

<http://www.businessdictionary.com/definition/net-weight.html#ixzz3CqPQhDV4>

PRACTICAL APPLICATIONS

Correction and Adjustment to Invoices Example:

An importer submits an invoice in respect for goods purchased from a supplier in the USA. On receipt of the invoice, the importer is informed by the supplier, that he was only able to ship a quantity of the goods listed. The importer then proceeds to make the adjustments to the invoice to reflect the changes. The importer then process the entries with the changes listed. The entry is queried by the Customs Department and the importer is informed that he needs to submit the adjusted invoice from the supplier. He is also informed that tampering with an invoice, may constitute an offence and is warned to desist from making any adjustment, to any invoice for goods he/she purchases, in the future.

Invoices in Foreign Language Example:

An importer purchases fruits from Puerto Rico. The invoice he received is written in Spanish. He submits the Spanish invoice with the declaration to clear the goods from the Customs Department. The declaration is queried and the importer is informed that the Customs cannot accept the invoice in a foreign language. He is informed to have the invoice translated by one of the institutions mentioned on the list or someone approved by the Comptroller of Customs.

Verification of Value and Cash Example:

An importer submits a declaration to Customs with an invoice attached. The officer checks the customs data base and notices that the prices of the goods listed, are inconsistent with that of the prices listed in the data base. The Customs Officer requests verification of the values submitted by the provision of a proof of payment from the importer. The importer informs the Officer that the goods listed on the invoice were paid for in cash. The officer then refers the matter to his supervisor, who is further informed by the importer, that he purchased the goods while in the USA and made arrangement for the shipment of the goods himself. The officer informs the importer that the Value for Customs Purposes, would have to be determined using another method under the Valuation Agreement (GATT). He further explained to the importer that this would have to be done, because the goods were not purchased for the St. Kitts – Nevis market but locally on the US market and the value cannot be independently verified, due to the fact that the goods were purchased in cash. Another method of the valuation agreement was applied and the goods are examined and valued by use of a Bill of Sight.

Diagram is a specimen of a CARICOM Area invoice. This is the accepted format for invoices submitted in the CARICOM Area.

SPECIMEN OF CARIOM AREA INVOICE
CARICOM (CARIBBEAN COMMON MARKET)

SELLER (Name, full address, country)		INVOICE DATE & NO.		CUSTOMER ORDER NO.	
		OTHER REFERENCES			
		BUYER (if other than consignee)			
CONSIGNEE (Name, full address, country)		PRESENTING BANK			
		COUNTRY OF ORIGIN OF GOODS			
		TERMS AND CONDITIONS OF DELIVERY AND PAYMENT			
PORT OF LOADING		CURRENCY OF SALE U.S. DOLLARS			
COUNTRY OF FINAL DESTINATION	SHIP/AIR/ETC.				
OTHER TRANSPORT INFORMATION		MARKS AND NUMBERS		Description of Goods	GROSS WEIGHT
					CUBE M
NO. & KIND OF PKGE.	SPECIFICATION OF COMMODITIES (IN CODE AND/OR IN FULL)	NET WEIGHT kg.	QUANTITY	UNIT PRICE	AMOUNT
IT IS HEREBY CERTIFIED THAT THIS INVOICE SHOWS THE ACTUAL PRICE OF THE GOODS DESCRIBED, THAT NO OTHER INVOICE HAS BEEN OR WILL BE ISSUED AND THAT ALL PARTICULARS ARE TRUE AND CORRECT. SIGNATURE AND STATUS OF AUTHORIZED PERSON		PACKING			
		FREIGHT			
		OTHER COSTS (Specify)			
		INSURANCE			
		TOTAL INVOICE AMOUNT			

Specimen No.1

Additional Information

Although the CARICOM Area Invoice is the accepted format, for the purpose of facilitation, the St. Kitts – Nevis Customs and Excise Department will allow, the submission of invoices that meet the minimum or mandatory requirements. Where an importer or exporter is unable to furnish the Customs and Excise Department with an invoice, which meets the requirements outlined in this policy, that importer or exporter may submit the document provided to them by the seller of the goods. However, the Customs and Excise Department is not obligated to accept any invoice that does not meet the minimum or mandatory requirements outlined in this policy document.

Where an invoice is determined not to be acceptable for determining the Customs Value, and the importer is unable to furnish the Department with a proper invoice, it may be required that the goods be entered by way of and Bill of Sight in accordance with section 39 of the Customs Act, No. 19 of 2014.

NOTE:

It is an offence to submit any invoice to the Customs Department that is not an authentic invoice. An authentic invoice is an invoice issued to the importer, by the supplier of the goods. If an importer or anyone acting on his / her behalf, constructs an invoice not being an invoice received from the seller of the goods, and submits the said invoice to Customs, that person commits an offence (see section 183 and 185 of the Customs Act, No. 19 of 2014). It is also an offence, to submit any invoice that does not accurately list the true and correct price paid or payable, for the goods listed. If an importer submits to Customs, an invoice supplied to him / her by the seller of goods, that does not list the true and correct price paid or payable for the goods, the said importer have submitted a false invoice and have committed an offence (See section 182 and 185 of the Customs Act, No. 19 of 2014). Importers are asked to refrain from tampering with the format of, or information listed on invoices supplied to them by the seller of the goods. Any of the above actions may attract very serious fine, forfeiture of the goods and possibly arrest.

Enquiry Information

For more information please contact us in St. Kitts 1(869) 466-7227 ext. 3243/3239/3225 or 1(869) 467-1077; Nevis 1(869) 469-0704/469-5521 ext. 2066. Email us at enquiry@skncustoms.com or customerservice@skncustoms.com
Visit us at www.skncustoms.com

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