



Glossary of Customs Terms and Abbreviations



Training Department

The objective of this document is to provide officers and the trading public with access to a body of terms used by Customs Departments, the world over, and an understanding of the said terms. This work is far from being an exhaustive compendium of such terms. Thus it is a document that is still in its evolutionary process.

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April 29, 2013

Glossary of Most Common Customs Terms

A Form – *See Demand Note*

Ad Valorem – a term from Latin means "according to value"; usually refers to a tax, duty, or charge based on the cargo's value.

Ad Valorem Duty – Duty and taxes which are calculated on the basis of value.

Agency - The right given by an individual, body or firm to another person or company to act on its behalf. Agency appointments are normally given for a stated period of time or indefinitely by means of a written contract or letter of intent.

Air Waybill – The forwarding agreement or carrying agreement between shipper and air carrier and is issued only in nonnegotiable form.

Bill of Lading (B/L) – A document that establishes the terms of a contract between a shipper and a transport company. It serves as a document of title, a contract of carriage and a receipt for goods.

Bill of Sight – A form of provisional entry for goods which the importer is not possession of full information

Bond – A binding agreement that is presented to Customs by an importer, guaranteeing the performance or nonperformance of a specified act

Bonded Warehouse – A warehouse authorized by Customs authorities for storage of goods on which payment of duties is deferred until the goods are removed

Broker - An intermediary who negotiates terms for charters, insurance, sales and purchase of ships and/or generation of cargo. Not normally the owner of a ship or of the cargo being negotiated.

Canalisation - the principle of the Customs Departments control of imported and exported goods, where all goods and persons entering or leaving a country must do so through a Customs controlled channel.

Cargo - General meaning of merchandise transported on a ship.

Cargo Declaration – *See Manifest*

Carnet – An international Customs document which may be used, in lieu of national Customs documents and as security for import duties and taxes, to cover the temporary admission of goods (for display, demonstration or similar purposes) and, where appropriate, the transit of goods.

Certificate of Origin – An international business document that certifies the country from which a consignment of goods originates.

Certified Entry – Entry documents prepared when duty has already been paid on goods being entered, e.g. goods short shipped, goods exported, being re-imported, goods sent out the country for repairs, and goods cleared by deposit entry (*See abbreviations C.D.D. and C.S.D.*) The certified entry is cross referenced against the relevant entry and the importer is asked to make a declaration by oath.

Classification – 1) The category defining the tariff to be applied to an imported good; 2) The act of determining this category, which may be subject to various rules and/or to the discretion of the customs officer

Clean Bill of Lading – A receipt for goods issued by a carrier with an indication that the goods were received in "apparent good order and condition," without damage or other irregularities. If no notation or exception is made, the B/L is assumed to be "clean"

Complaint without Oath – A document required to be filed with the court to officially lodge an accusation in respect to a Customs Offence before the court and requests that the matter be heard by the court.

Comptroller -

Consignee – The receiver of a Cargo as per the Bill of Lading, but is not necessarily the end user

Cost, Insurance, Freight (C.I.F.) – Commonly used commercial practice especially for import to third world countries, the cost of cargo includes the cost of transportation and insurance to the delivery port

Customs – Derived from the English term Customary Levies; these are duties charged on goods entering a country.

Customs Offence – These are acts, deeds that are deemed to be contravening the law as determined by the Customs (Control and Management) Act.

Customs Union – The merger of two or more customs territories with the effect that customs duties and non-tariff barriers are eliminated between the members of the union for substantially all trade, and a common customs tariff and common rules for non-tariff barriers are introduced for substantially all trade with non-member countries

Customs Value – The value of goods established according to the customs rules for the levying of ad valorem duties

Declaration – (Aircraft and Vessel) Signed statement from a ship's master or agent arriving or leaving port as to its contents, including cargo, crew and stores. This is a Customs requirement.

Declaration – (Passenger) The act whereby a person indicates he/she is importing or exporting goods as is mandated by law or customs procedures

Demand Note – A request by Customs to an importer to pay duties which have been short paid; also known as an A Form

Demurrage – A penalty charge against shippers or consignees for delaying the carrier's equipment beyond the allowed free time

Drawbacks -

E-Form – A document that notifies an offender under the Customs Act that he/she is being arrested and charged

Entry – Declaration of information on imported or exported goods, prepared by a customs broker on an entry Form or duty entry Form, and submitted to the customs. It states the customs classification number, country of origin, description, quantity, and C.I.F. value of the goods, and the estimated amount of duty to be paid. If upon examination by a customs officer the entry is verified as correct the goods are released (on payment of duty and other charges, if any) to the importer, or are allowed to be exported; 2) the legal process of coming into a country.

Examination (in relation to goods) – Physical inspection of goods by Customs to satisfy themselves that the nature, origin, condition, quantity and value of the goods are in accordance with the particulars furnished in the Goods declaration.

Excise – A tax levied on certain goods and commodities produced or sold within a country and on licenses granted for certain activities.

Exporter – The person on whose behalf an export declaration is made and who is the owner of the goods or has a similar right of disposal over them; the holder of an export licence or who is entitled to export refunds

False Invoicing – The act of producing and presenting an invoice that does not accurately reflect the terms of a transaction with the intent to deceive and to avoid paying the correct amount of taxes

Fiat – A document issued by the Comptroller of Customs granting the Police, the Director of Public Prosecution or any other competent representative the authority to prosecute cases on behalf of Customs as provided for under Section 122 of the Customs Act

Foreign Trade Zone – A part of the territory of a State where any goods introduced are generally regarded, in so far as Import Duties and taxes are concerned, as being outside the Customs Territory, and are not subjected to the usual Customs Control

Foul Bill of Lading – A receipt for goods issued by a carrier with an indication that the goods were damaged when received. Compare Clean Bill of Lading.

Free Alongside (FAS) – The seller must deliver the goods to a pier and place them within reach of the ship's loading equipment. See Terms of Sale

Free on Board (FOB) – The term used when the buyer of the goods being shipped assumes ownership, responsibility, and financial risk when the cargo is on board the ship

Free Zone – An area considered as being outside the territorial boundaries and the goods brought therein are not considered as imports and do not face import duties

Freight Forwarder – A carrier that collects small shipments from shippers, consolidates the small shipments and uses a basic mode to transport these consolidated shipments to a destination where the freight forwarder delivers the shipment to the consignee

Full Container Load (F.C.L.) – The maximum permissible weight for the value of the cargo carried in a container.

G Form – *See Refund of Duty*

Gift Allowance – This is the dutiable value or specified quantities of personal items such as new clothing, footwear, and articles for personal hygiene and grooming that travelers are permitted to bring into the country in their accompanied baggage or to buy them at an inwards duty free shop, free from duties and taxes; does not include commercial items.

Gross Weight – Entire weight of goods, packaging and freight car or container, ready for shipment

Home – Local or domestic; as opposite of foreign (as used in Warehousing below)

Importer – The party who makes (or on whose behalf an agent or broker makes) an import declaration, and who is liable for the payment of liable duties on the imported goods; also known as consignee in the shipping documents and/or as the buyer in the exporter's invoice

Indicator – Any abnormality or inconsistency in information or physical appearance which could create a reasonable suspicion in the mind of a Customs Officer.

Inter alia – among other things

In Bond – Cargo moving under Customs control where duty has not yet been paid.

Invoice – An invoice is a document that itemizes a transaction between a buyer and a seller, specifying the price of goods sold or services provided, terms of sale, delivery date, transport conditions etc. that is prepared by the supplier. Invoices are prepared for both commercial and non-commercial goods and/or services

Landed Cost – The total cost of a good to a buyer, including the cost of transportation

Landing Account – an amended version of the Cargo Declaration with changes done in red ink, showing all cargo landed in excess or short of the original Cargo Declaration that was submitted with the report mandated under Section 25 of the Customs Act

Manifest – Document that lists in detail all the bills of lading issued by a carrier or its agent or master for a specific voyage. A detailed summary of the total cargo of a vessel. Used principally for Customs purposes. This is also known as a Cargo Declaration.

Mule – Someone who smuggles something with him or her (as opposed to sending by mail, etc.) across national border

Net Weight – Weight of the goods alone without any immediate wrappings

Over Carried Goods – cargo not landed that was manifested to do so and was on board the aircraft or vessel when it was last in port in the Federation

Over Landed Goods – cargo landed in excess of the quantity that which has been invoiced, valued or declared

Origin of Goods – the "economic" nationality of goods in international trade. It is necessary to determine the origin of goods as any duties and/or equivalent charges or any customs restrictions or obligations applicable to them will depend on their origin.

Packing List – Itemized list of commodities with marks/numbers but no cost values indicated.

Passenger Baggage – Articles designated by the Comptroller of Customs as personal baggage of a traveler and may include professional apparatus and workman's tools brought in by a passenger for personal use, household effects not exceeding a designated value, brought in for personal use and not for sale, exchange or an implement of commerce and which have been in the use of the passenger for at least one year, and personal effects, not being merchandise, of natives or others domiciled in the Federation but have died abroad

Phytosanitary Certificate – A certificate issued by a government agency (usually Agriculture) to satisfy import regulations of foreign countries; it indicates that a shipment has been inspected and found free from harmful pests and plant diseases

Price Paid/Payable – The aggregate of all payments made or to be made by the purchaser, directly or indirectly, to or for the benefit of the seller

Pro Forma Invoice – A provisional invoice provided by a supplier prior to the shipment of merchandise, informing the buyer of the supplier's commitment to supply the kinds and quantities of goods to be sent, their value, and specifications (weight, size, etc.)

Prohibited Goods – Any goods, the import or export of which is subject to any ban under the Customs Act or any other law for the time being in force

Proper Entry – A correct entry that meets all the necessary criteria on a “proper” declaration

Proper Officer -

Provisional Entry – a temporary entry which is used to facilitate the release of goods, it is to be followed by a certified or a proper entry

Racking – The process of packing performed in a warehouse, under Customs supervision, by which packages may be repacked into smaller or larger packages

Reefer Container – Refrigerated container

Refund of Duty – Amounts found to be overpaid as duties that may be refunded by Customs to the relevant party within one year on application made by the importer, done on a “G Form”

Registered Baggage – this is baggage which, once registered in the departure airport, is neither accessible to the traveller during the flight nor at the stopover if there is one. This luggage is carried in the baggage hold of the plane

Repacking – The process by which an importer can change the contents of packages under the supervision of Customs by making full packages out of packages that are not full.

Restricted Goods – any goods the import or export of which is subject to any controls or regulations under the Customs Act or any other law for the time being in force

Rummage – The act of searching a vessel or aircraft thoroughly, it includes moving around turning over or looking through contents

Sale – The transfer of ownership and title to property from one person to another for a price

Short-shipped Goods – cargo landed that is less than the quantity which has been invoiced, valued or declared.

Shipper – Person offering the goods for transportation. A person or company which engages ships owners or operators to carry cargo.

Single Administrative Document – A multi-copy form which is used throughout a grouping of countries (Community) for the control of imports, exports and goods in transit; also known as an entry

Specific Duty – duty assessed on an article of a given kind at a flat rate per unit of quantity (as a ton, bushel, or yard) without individual appraisal

D/A Sight Draft – A draft that is payable by the buyer upon presentation of the draft (documents) to the buyer

Stores – Supply of fresh and dry provisions and the supplies for the running of the ship, such as lubricating oil, line and spare parts.

Stripping – A term often used to denote the process for removing cargo from a container.

Stuffing – Denotes the process of loading cargo into a container.

Trade Agreements – Any contractual arrangement between states concerning their trade relations, they may be bilateral or multilateral; they may be reciprocal or non-reciprocal.

Transship – To transfer goods from one transportation line to another or to transfer goods from one vessel to another.

Valuation – The procedure applied to determine the customs value of imported goods. If the rate of duty is ad valorem, the customs value is essential to determine the duty to be paid on an imported good [*Visit Second Schedule of the Customs (Control and Management) Act for details on Valuation Methods*]

Warehousing – The process by which an importer or trader may import goods and store them under customs supervision or direction pending their disposal, either for home use or for export

Wholly Produced – In relation to goods which are completely derived in the country of export

Writ of Assistance – A document issued by the Comptroller of Customs authorizing a proper officer to carry out a search on any premises where there is reasonable ground to suspect that anything present therein is liable for forfeiture by virtue of any Customs enactment

Abbreviations

A.C.P. – African-Caribbean-Pacific Grouping

A.C.S. – Association of Caribbean States

A.E.O. – Authorised Economic Operator

A.S.Y.C.U.D.A. – Automated System for Customs Data

CARIBCAN – Caribbean Canada Agreement

C.A.R.I.C.O.M. – Caribbean Community; Caribbean Common Market

C.A.R.I.S.A.D. – CARICOM Single Administrative Document

C.A.R.T.A.C. - Caribbean Regional Technical Assistance Centre

C.E.T. – Common External Tariff

C.B.I. – Caribbean Basin Initiative

C.C.L.E.C – Caribbean Customs Law Enforcement Council

C.D.B. – Caribbean Development Bank

C.D.D. – Customs Duties Deposit

C.E.D.A. – Caribbean Export Development Agency

C.I.C.A.D. – Inter-American Drug Abuse Control Commission

C.I.C.T.E. – Inter –American Committee Against Terrorism

C.I.T.E.S – Convention on the International Trade in Endangered Species of Wild Fauna and Flora

C.I.F. – Cost, Insurance and Freight

C.O.T.E.D. – Council on Trade and Economic Development

C.P.C. – Customs Procedure Codes

C.R.C. – Customs Regime Codes

C.R.N.M. – Caribbean Regional Negotiating Machinery

C.S.D. – Customs Security Deposit

C.S.M.E. – CARICOM Single Market and Economy

D.P.V. – Duty Paid Value

E.P.A. – Economic Partnership Agreement

E.C.C.U. – Eastern Caribbean Currency Union

E.L.O. – Enforcement Liaison Officer

F.A.K. – Freight of all kinds

F.C.L. – Full container load

F.D.I. – Foreign Direct Investment

F.O.B. – Free on Board

F.T.A.A. – Free Trade Area of the Americas

G.A.T.T. – General Agreement on Tariffs and Trade

G.S.P. – Generalized System of Preferences

H.S. – The Harmonized Commodity Description and Coding System

I.L.O. – International Labour Organisation

INTERPOL – International Police Organisation

I.M.F. – International Monetary Fund

I.M.O. – International Maritime Organization

J.I.O. – Joint Intelligence Office

L.C.L. – Less the Container Load

L.D.C. – Less Developed Country

M.D.C. – More Developed Country

M.F.N. – Most Favoured Nation

M.O.U. – Memorandum of Understanding

O.A.S. – Organisation of American States

O.D.S. – Ozone Depleting Substances

O.E.C.S. – Organisation of the Eastern Caribbean States

O.E.C.D. – Organisation for Economic Cooperation and Development

P.A.H.O. – Pan-American Health Organization

P.C.A. – Post Clearance Audit

P.I.V. – Post Import verification

R.E.D.T.R.A.C. – Caribbean Regional Drug Law Enforcement Training Centre

R.C.S. – Regional Clearance System

S.P.S. – Sanitary and Phytosanitary Measures

T.R.I.P.S. – Trade-Related aspects of Intellectual Property Rights

U.N.C.T.A.D. – United Nations Council for Trade and Development

V.A.T. – Value Added Tax

V.F.C.C. – Value for Currency Conversion

V.F.D. – Value for Duty

W.C.O. – World Customs Organization

W.H.O. – World Health Organization

W.T.O. – World Trade Organization