

# LATE PAYMENT INTEREST

## CUSTOMS ACT

### 80A. Date of Payment of Duties.

(1) Any duty specified in a notice of assessment is due and payable on the date specified in the notice, being a date not less than 5 clear working days after the date of the issue of the notice of assessment or a date not less than 5 clear working days after the inwards report of the conveyance, whichever is the later date.

(2) Where an amount of duty specified in a notice of assessment under this section is not paid on or before the date specified in the notice and the notice has been issued to the owner or agent of the goods, the owner or agent of the goods shall pay to the Collector, in addition to the duty so specified, interest on the unpaid duty at the rate of 8% of the amount of the unpaid duty for each 5 day period or part thereof for which the duty remains unpaid from the date for payment specified in the notice until the duty is paid.

(2A) The payment of any duties or interest under this sections shall be made:-

- (a) in the case of an entry lodged by electronic transmission to the Customs service – at any Customs office directly connected to the Customs computer service; or
- (b) in the case of a manual entry – at any Customs office; or
- (c) in the case of any dispute – at a place nominated by the Commissioner General.

(3) The Collector may reduce or remit any penalty payable under this section, on the basis of a written application made by the owner or agent of the goods within 30 days after the due date of an assessment and upon payment of the duty and interest, to remit the whole or any part of the interest within 30 days after the due date of an assessment and upon payment of the duty and interest.

(3A) In considering whether to remit the whole or a part of the interest, the Commissioner General may consider the following matters:-

- (a) the capacity of the owner or his agent to have avoided making the late payment and the extent to which that capacity was exercised; and
- (b) the history of the owner or his agent resulting in previous late payment, revenue loss or any Customs prosecution instituted against the applicant or his agent.

(3B) The Commissioner General shall inform the applicant of the decision to remit within 30 days after receiving the application for remission of interest.

(3C) Any remission of interest may be applied to offset other debts as provided under section 194 of this *Act*.

(4) If a dispute arises as to the amount of the duty on any goods or the interest penalty remitted under Subsection (3), the provisions of Section 176 shall apply.