

Revenue Collection Approaches

Case Study Template

The purpose of developing case studies is to show country-specific examples in defining an effective approach or approaches (henceforth referred to as approach/es) to revenue collection for cross-border e-commerce goods. This template acts as a guide to providing case studies that have a similar level of consistency in terms of layout and information provided.

Such examples may be useful for administrations when considering implementation of the Framework of Standards on Cross-Border E-Commerce, taking into account that e-commerce is a rather new phenomenon and special rules, in particular for revenue collection relating to E-Commerce goods only, are not widespread in practice.

Special attention should be given to describing existing and developing revenue collection peculiarities and their main differences, the existing *de minimis* threshold and possible steps for reviewing it, approaches to determine value for the purpose of calculating duties and taxes relating to small shipments destined to consumers by express, couriers or postal operators, and opportunities and challenges for risk management systems due to the enormous volume of parcels.

1. Introduction / General Overview

- General description of the approach/es to revenue collection for e-commerce, based on one of the three approaches (or hybrid) discussed within the Annex to the Technical Specifications.
 - Peculiarities of the revenue collection approach/es, in particular who submits goods declaration and pays customs duties, taxes and fees (postal operator, express courier, sender, e-vendor, e-commerce platform, buyer), how and when (after, before or concurrently submitting goods declaration, clearance process or on periodic basis, pre-arrival processing and/or account-based processing with deferred payment of duties and taxes).
- Why was this approach/es developed, or under development, for e-commerce?
- What is the legal framework that supports revenue collection for e-commerce?
 - Legal acts that regulate revenue collection issues (Customs code, laws and regulations, etc.)?
 - Are there special rules for the revenue collection approach/es regarding e-commerce, or are general rules applied for such categories of goods (for example, intermediary collection approach)?
 - Is there a need for developing unique rules (new legislation) for revenue collection adapted to cross-border e-commerce goods? If yes, have such rules been developed in your country or union?
- *De Minimis* Threshold.
 - Is there a *de minimis* threshold in your country or union. If yes, please specify its level?
 - Is the *de minimis* threshold related only to duties or to duties and taxes?
 - Is your country or union planning to review or adjust *de minimis* thresholds? If yes, when.

2. Background

- Is there any previous experience with other types of approach/es, and how has this led to the current approach/es.
- Provide a brief explanation of the domestic regulatory environment relevant to the case study (competent authorities, *de minimis* threshold, taxation, etc.).

3. Description of the process

- Describe the approach/es in detail. Use pictures, diagrams and charts, print screens, websites, etc., to make the understanding easy.

4. Benefits and Challenges

- What are the benefits and challenges of using the approach/es chosen for e-commerce goods within the domestic environment?
- Why is this approach/es considered the most effective for e-commerce goods? For example, it is providing facilitation, efficiency of revenue collection, compliance, minimize risks of undervaluation, prevent revenue losses, more predictability of delivery time if there is a need to pay duties and taxes, more comfortable conditions for consumers (buyers) because there is no need to pay duties and taxes directly upon goods arrival, etc.
- Has the approach/es been integrated with Risk Management Systems, and if so how.

5. Lessons Learned (if available)

- What was your administration's experience in implementing the approach and what did you learn from this experience? This may be related to any aspect of the approach including, but not limited to: legislation, systems, cooperation with other government agencies and the private sector, training of staff, resourcing, and/or achieving policy objectives.

6. Compliance and Future Developments (if available)

- What was the response to implementation?
- What is the approach to compliance (penalties, education, etc.)?
- How is the success of the approach measured?
- Next steps for the approach (phases, reviews, adjustments, etc.)?

7. Additional or Final Comments

- Feel free to add any additional or final comments.

8. Statistics (if available)

The purpose of this section is to provide statistical information that supports the case study outlined above. It is acknowledged that provision of statistics may be challenging and therefore some or all of the suggested information below, which is not exhaustive, may not be obtainable, or what can be provided may not add value to the case study due to its level of aggregation or reliability. As such, this section should be considered as "best endeavours". If there are statistics that contain estimates or are anticipatory based on research, then these can be provided but should be identified.

- annual number of volumes and declarations
- volumes cleared within *de minimis*
- number of operators [registered or otherwise] with respect to the approach/es
- taxes and duties collected on e-commerce goods
- average time for clearance of e-commerce goods
- other important information.

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