

Foreword

This notice cancels and replaces Notice 100 (May 1996). Details of any changes to the previous version can be found in paragraph 1.1 of this.

Further help and advice

If you need general advice or more copies of HM Revenue & Customs notices, please ring the **National Advice Service** on **0845 010 9000**. **You can call between 8.00 am and 8.00 pm, Monday to Friday.**

If you have **hearing difficulties**, please ring the **Textphone** service on **0845 000 0200**.

If you would like to speak to someone in **Welsh**, please ring **0845 010 0300**, **between 8.00 am and 6.00 pm, Monday to Friday.**

All calls are charged at the local rate within the UK. Charges may differ for mobile phones.

Other notices on this or related subjects

[101 Deferring duty, VAT and other charges](#)

[199 Imported goods: Customs procedures and Customs debt](#)

[501 A brief guide to import procedures](#)

[920 The Single Currency](#)

1. Introduction

1.1 What is this notice about?

It's about how to pay for charges due on imported goods by using the immediate payment accounting system known as the Flexible Accounting System or FAS as it is commonly known.

1.2 What's Changed?

The technical content has changed in Notice 100.

You can access details of any changes to this notice since October 2005 on our internet website at www.hmrc.gov.uk or by telephoning the National Advice Service on 0845 010 9000.

1.3 Who can use FAS?

You can only use FAS if you are a Direct Trader Input (DTI) agent ie if you process import entries through a computer terminal linked to the Customs Handling of Import and Export Freight (CHIEF) system.

1.4 What is FAS?

FAS is an accounting sub-system within CHIEF and can (only) be used by DTI agents who wish to pay for charges due on DTI entries using an immediate payment method.

1.5 How does the FAS account work?

The FAS account is used in a similar way to a bank current account, with the exception that there are no charges for using the account, no overdraft facility and no interest to be gained. Your account is identified by a combination of the Entry Processing Unit (EPU) number and your Trader's Unique Reference Number (TURN). You will need to lodge monies (CHIEF credits) to offset against charges due on DTI entries (CHIEF debits) awaiting clearance ie those entries that have satisfied all Customs requirements except for accounting.

1.6 Is there a minimum or maximum account balance?

No, but your account balance cannot go below zero. The amount of money you deposit in your FAS account to pay entry charges is entirely at your discretion.

1.7 When can I use FAS?

You can use FAS whenever you wish to pay for charges due on imported goods by an immediate payment method, or to withdraw funds from your account. FAS can only be used to pay for DTI entries and cannot be used to pay for entries input by HM Revenue & Customs.

1.8 How does using FAS help me?

You will be able to control the clearance of your entries against the funds deposited in your account.

You can choose to:

- Allocate a specific payment to a specific entry; or

- Maintain a general balance to clear any entry, or use for minor discrepancies between actual payment and the amount charged for a specific entry. Note: The latter is dependent on the over and under payment limits you set within the Amend FAS Owner Details (AFOD) facility.

1.9 What is the purpose of the Amend FAS Owner Details (AFOD) facility?

This facility serves two purposes:

(a) It helps you to control the use of the funds you have deposited in your FAS account by maintaining the following details:

- Entry Limit – the maximum amount that can be used by an entry from the general balance; for example if the charges on your entry are £5200 and you have set your entry limit at £5100, your entry will not clear from the general balance.
- Overpayment Limit – the maximum amount that may be added to the general FAS balance, when a specific entry payment exceeds the FAS amount required to clear the entry. Please note, that entry-specific funds that exceed the overpayment limit will not transfer to the general FAS balance. Instead, the overpayment amount will be held in reserve until appropriate withdrawal action is taken – see paragraph 6.2.
- Also note that funds that build up in your reserve account are subject to the 'Duty of Care' set down in Section 3.4 of this notice.
- Underpayment Limit – the maximum amount that can be used from the general FAS balance when a specific payment is insufficient to clear the entry.

(b) Enables you to maintain your contact details so we are able to get in touch with you if we have a query (eg regarding payment details). The details you can provide to us are:

- Contact name;
- Telephone number;
- Fax number; and
- E-mail address

NB: It is essential you enter payment parameters and your contact details if you choose to allocate payments to specific entries.

1.10 What charges can I pay using FAS?

You can pay import VAT, Customs duty, Excise duty and other charges due at clearance by immediate payment.

1.11 What other charges may be credited or debited to my FAS account?

Post clearance adjustments and Miscellaneous Cash Deposits (MCD) may be credited or debited as appropriate to your FAS account general fund (when considered necessary) by HM Revenue & Customs.

1.12 What is the role of Salford Accounting Centre?

While your FAS account is set up and 'held' at each of the EPU's where you are DTI active, Salford Accounting Centre are responsible for the accounting aspects of operating a FAS account eg allocating payments into an account and initiating withdrawal requests.

1.13 Should I read any other material?

Yes. For further information on FAS and DTI facilities in CHIEF, including accessing the different types of transaction screens on your CHIEF terminal, you should read the following:-

- Volume 3 of the Customs Tariff;
- CHIEF Import Entry Trade User Guide: Ref USM 210 - which can be found on our Departmental website at www.hmrc.gov.uk.
- CHIEF Accounts Maintenance Trade User Guide: Ref USM 260 - which can be found on our Departmental website at www.hmrc.gov.uk.

These guides will also give information on the types of reports available. Your EPU can provide you with advice on the availability of these publications.

2. Approval

2.1 How do I get approval to use FAS?

FAS approval is automatic providing you are approved as a DTI agent. To be DTI approved, you must apply to each EPU you wish to use.

2.2 What do I need to provide?

You will need to supply trading details of your Company, including your TURN. This information is required so that the necessary files, including a FAS account, can be set up in CHIEF. Your EPU will be able to advise you further on the full information required. If you are not already in possession of a TURN you will need to apply to the TURN Team at Swansea (Volume 3, paragraph 3.1.11 of the Customs Tariff advises of conditions and where to apply).

2.3 How will I be advised?

Once you have been accepted for DTI and FAS processing you will be notified by your EPU.

2.4 What will my FAS approval cover?

It will cover all FAS transactions processed through the specific EPU where you are DTI active.

2.5 What if I import goods through more than one EPU?

You will be automatically allocated a FAS account at each EPU where you apply to become DTI active.

2.6 Can sub-agents use FAS?

If you are an agent and another agent instructs you to make entry for an importer (perhaps because the other agent does not have an office at the EPU concerned) you can pay the charges due through your own FAS account. However, you need to be aware that this is a commercial arrangement and any disputes would need to be settled by the parties concerned. This would not be a matter for HM Revenue & Customs.

2.7 Must I tell you about changes to my trading details?

Yes. You must advise the EPU immediately of all changes to your trading details or status of your Company.

2.8 Can my approval be suspended or revoked?

Yes. Although we have the facility to inhibit, and ultimately revoke, your approval this will only be necessary if your FAS account is being mis-used or if entries remain uncleared for an unacceptable length of time.

3. Funding your FAS account

3.1 How do I make payments into my FAS account?

To make payments into your FAS account you must first send Salford Accounting Centre a notification of your intention to pay. You do this by accessing the relevant transaction screen (IEPN (Insert Entry Payment Notification – for specific payments) or IPWN (Insert Payment/Withdrawal Notification – for general payments) on your CHIEF linked terminal. You must then present a fully completed FAS Payment Advice (Form C&E 514), which is available via our Departmental website at www.hmrc.gov.uk, to Salford Accounting Centre. Both the notification and the Payment Advice are required in order to match the information entered, with the actual payment made, and ensure the correct details are allocated to the correct FAS account.

3.2 What methods of payment are acceptable?

3.2.1 Postal payment

Payments may be made by guaranteed cheque (by the use of Guarantee Form C&E 307, or by individual bank endorsement) or bank draft. These should be sent to Salford Accounting Centre with a completed C&E 514 FAS Payment Advice. The address for the Salford office is:

HM Revenue & Customs
CHIEF Accounting (FAS)
1st floor Annexe
Custom House
Furness Quay
Salford M50 3XN

3.2.2 Electronic payment

You may make a payment by BACS or CHAPS at your bank counter or via the Internet, or telephone banking. In order to enable Salford Accounting Centre to easily identify a particular payment, and ensure the correct details are allocated to the correct FAS account, it is **essential** that you include a payment reference when making your payment arrangements. The reference is made up as follows:

- The Entry Processing Unit (EPU) number – a 3-digit code of the port/airport of import.
- The Trader's Unique Reference Number (TURN) – a 12-digit code identifying whose FAS account the payment is to be allocated to.
- The FAS notification reference – this can be up to 6 digits and is generated on completion of the required notification screen (IEPN or IPWN) on CHIEF.
- Entry number and date (if the payment is for a specific entry) – the entry number is 7 digits. There is no specific format for the entry date.

This reference **must** also be shown on the FAS Payment Advice C&E 514 and faxed to Salford Accounting Centre on 0161 2617037 – ideally before actual payment is made.

NB: Most delays in allocating payments to FAS accounts are caused by the lack of, or an incorrect, reference. It is important to stress to your bank when making payment that the reference must also be transmitted. Equally, if someone else is funding the payment (eg you are the agent and the payment is being funded by the importer) please ensure they are made aware of these referencing requirements.

3.3 Timing considerations when making a payment

It is very important that you take into account postal delays (for payments made by cheque or bank draft) and bank processing times (for payments made electronically) when you are arranging the clearance of goods. This is particularly important if you are importing perishable goods and/or intend to clear goods over the weekend or on a bank holiday.

In order to allocate electronic payments to the correct FAS account, Salford Accounting Centre have to have confirmation that the payment is in the HM Revenue & Customs FAS bank account at the bank of England.

Payment by BACS normally takes 3 bank working days but you should always check timings with your own bank. Payment by CHAPS is guaranteed same day, but your bank may not immediately transmit the payment to HM Revenue & Customs and it is possible that the payment may not be confirmed until after the public enquiry facility at Salford Accounting Centre has closed for the day. Whenever possible, you should make your payments as early as possible in the day.

Salford Accounting Centre are able to deal with public enquiries between 08:00 to 16:30 Monday to Thursday and 08:30 to 15:00 on a Friday. The office is closed at weekends and on bank holidays. Any changes to these times will be notified via the CHIEF Notice Board.

3.4 Duty of Care

If you are an importer – if you choose to fund payments to clear goods using FAS, it is the responsibility of your agent as the FAS account owner, to handle these responsibly eg to ensure the correct import entry is cleared. It is therefore in your interest to satisfy yourself as to the identity, integrity and reliability of the companies or individuals you employ to act on your behalf. Any disputes are a matter between you and your agent (as the FAS account owner) and not HM Revenue & Customs.

If you are an agent – you have a duty to handle payments funded by a third party responsibly. It is your responsibility to ensure that the correct import entry is cleared. You will find the specific payment facility will help in this respect (Insert Entry Payment Notification (IEPN) CHIEF screen) and HM Revenue & Customs strongly recommend its use. Equally, you are responsible for ensuring reimbursement of overpayments to the correct party. Any disputes are a matter between you and your customer and not HM Revenue & Customs.

3.5 Queries about payments

If you wish to know whether your payment has been received and processed – if payment was made electronically, you should first check its status with your bank (ie have they transferred it to the Bank of England), and for all types of payment, you should check CHIEF using format DFAD (Display FAS Account Details) before making enquiries with Salford Accounting Centre. The best method of contact with Salford Accounting Centre is via email to fasaccounting@hmrc.gsi.gov.uk.

4. Paying charges through FAS

4.1 How will the funds deposited in my FAS account be used to pay import charges?

The charges on entries processed through CHIEF will be off-set against the funds deposited. To use your FAS account you must input the appropriate code for FAS payment in the Method of Payment (MOP) box when processing your DTI entry. You should ensure that there are sufficient funds in your account to cover all charges due on the entry so that it can be cleared, otherwise the entry will be held in your FAS suspense account (see Section 5) with clearance withheld pending payment of additional funds, or an amendment to the entry.

4.2 Can I match payments against specific entries in FAS?

Yes. In order to use this facility, you must notify Salford Accounting Centre that a specific payment is being made, by completing the transaction screen IEPN (Insert Entry Payment Notification) on your CHIEF linked terminal and ensure the entry reference (EPU, entry number and date) are included on the FAS Payment Advice C&E 514, which **must** be sent to Salford Accounting Centre. Whether you choose to match payments, or maintain a general balance, it is important you closely monitor your FAS account through the available interrogation screens (Transaction DFSA - Display FAS Suspense Account & Transaction DFAD - Display FAS Account Details) on your CHIEF linked terminal to help you control the allocation of payments to entries.

NB: It is essential you enter payment parameters and your contact details within the AFOD (Amend FAS Owner Details) screen if you choose to allocate payments to specific entries. See Section 1.9.

4.3 Can I decide whether charges on entries go through my FAS account?

Normally yes by inputting the appropriate MOP code. However, where you are attempting to pay import charges through your own deferment account and there is insufficient security in the deferment account to cover the transaction, or the deferment account cannot be operated for any other reason, the charges due on your entry will be automatically posted to your FAS account.

4.4 What if deferment processing fails whilst using an importer's deferment account?

If the deferment input fails, and the deferment account being used is not your own, the charges due will not be automatically posted to your FAS account. In this instance you must inform the importer of the circumstances and, if instructed to make immediate payment, you will need to amend the MOP code to that associated with FAS payment to use your FAS account. Alternatively, you will need to wait until the deferment guarantee limit is sufficient to clear the entry.

4.5 Can I amend the entry from FAS to deferment?

Yes. You may wish to amend an entry from FAS to deferment, for example, at the start of a new deferment accounting period. You can do this by using the relevant transaction screen (Transaction AIME - Amend Import Entry) on your CHIEF linked terminal. CHIEF will then re-attempt clearance by deferment.

4.6 What happens if an entry fails both deferment and FAS?

If the entry fails both deferment and FAS processing it will be held in your FAS suspense account until you have deposited adequate funds into your FAS account or an amendment to the entry is made. You will be notified of entries held in suspense by an E9 'Entry Account Advice' report produced from CHIEF on your own printer.

An entry in the FAS suspense account will not automatically revert to deferment even if the guarantee is subsequently increased sufficiently.

4.7 What action do I need to take if I identify an error on an entry post clearance and feel a revenue repayment is due?

If you identify an error on an entry post clearance and feel a revenue repayment is due, you should contact:

The National Duty Repayment Centre (NDRC)
Building 22
Priory Court
St Johns Road
Dover
Kent CT17 95H

Further details can be found in Public Notice 199 - Imported Goods: Customs procedures and Customs debt.

5. Suspense

5.1 What is FAS suspense?

FAS suspense is a log of entries awaiting clearance within your FAS account. If there are insufficient funds to clear an entry in your FAS account it will be held in suspense until you have deposited adequate funds or an amendment to the entry is made.

5.2 How does the FAS suspense work?

Depending on the type of transaction, items will be suspended in one of four priority groups - 1 being the highest priority and 4 being the lowest. Groups 1 and 4 are for input entries, Groups 2 and 3 are for adjustments. Within each group, FAS will create a queue of items in chronological order. Entries will be processed according to priority and the availability of funds. All suspended entries will initially be placed in Group 4. However, HM Revenue & Customs are able to re-prioritise entries by promoting to Group 1 in certain circumstances.

Adjustment transactions input by HM Revenue & Customs will be suspended in Groups 2 & 3 dependant on the type of adjustment being made.

NB: If a specific payment is made to clear an entry in suspense, as soon as IEPN (Insert Entry Payment Notification) is invoked, the entry 'disappears' from suspense, even though at this stage it won't have actually cleared. It therefore won't be displayed in DFSA (Display FAS Suspense Account). Instead, the transaction LPWN (List Payment/Withdrawal Notification) can be used to display information on entries set aside for specific payment.

5.3 What are the four suspense groups?

Group 1. Priority Entries - HM Revenue & Customs will place entries in this group on your behalf. However, this will only be in exceptional circumstances, normally where hazardous or perishable consignments are involved;

Group 2. Debit Contra Transactions - only available to HM Revenue & Customs. Transactions in this group will derive from the cancellation of a previously posted payment or adjustment credit;

Group 3. Post Clearance Debit Adjustments - again only available to HM Revenue & Customs. Transactions in this group will derive from post clearance demands;

Group 4. Non priority entries - available to both FAS account holder and HM Revenue & Customs, the majority of suspended transactions will be held in this group.

5.4 Can I change the order of entries in the suspense queue?

As a FAS account holder, you will have the facility to re-order entries within Group 4 - this is called re-prioritising. In exceptional circumstances, and provided they meet the criteria, you can ask Salford Accounting Centre to promote entries from Group 4 to Group 1. Only Salford Accounting Centre can re-order items within Group 2 and Group 3.

5.5 How do I re-prioritise entries in group 4?

You use the relevant transaction screen (Transaction AFSQ - Amend FAS Suspense Queue) on your CHIEF linked terminal to change the order of entries within Group 4. It should be noted that this only applies to entries being paid from the general fund. Whenever amending your queue you should interrogate all suspense groups. If there is an item in either Group 1, 2 or 3, this will take priority over any item in Group 4. It is best practice to always check that the entries are in the correct order before making payment. Funds should be paid in to match the order of entries in the suspense queue. Extra care should be taken when presenting multiple payments and Forms C&E 514 to Salford Accounting Centre. The order in which these payments are subsequently credited to your FAS account can affect which entries clear from the suspense queue. Further information on re-prioritising entries is contained in the CHIEF User Guide: Ref USM 260 available via our Departmental website at www.hmrc.gov.uk.

6. Withdrawals

6.1 What if I need to make withdrawals from my FAS account?

You will be able to withdraw previously deposited unused funds from your FAS account at any time.

6.2 How do I make withdrawals from my FAS account?

You must give prior notification to Salford Accounting Centre of your intention to withdraw funds from your FAS account. You do this by accessing the relevant transaction screen (Transaction AEPN (Amend Entry Payment Notification) for withdrawal of specific funds or IPWN (Insert Entry Payment/Withdrawal Notification) for withdrawal of general funds) on your CHIEF linked terminal. Also - all withdrawals must be accompanied by a written request from the owner of the FAS account on company headed paper, signed by an authorized person and sent to Salford Accounting Centre. These must be originals only, ie faxes and e-mails are not acceptable.

6.3 What details are required in the request ?

The request must state when the monies were originally paid in, what the monies were in respect of, and the reasons for the request for withdrawal. Salford Accounting Centre may also require you to provide them with a print of the committed notification of withdrawal screen. If the request is authorized, and funds are available in your FAS account, you will receive a payment in due course.

6.4 Can anyone else make a withdrawal from my FAS account?

HM Revenue & Customs can use funds in your FAS account to process any post clearance demands (C 18's) that may have been issued to you, or to make any debit adjustments that may be necessary where a cleared entry requires amendment.

7. Interrogation

7.1 Can I interrogate my FAS account?

Yes. You are able to interrogate your FAS account through your CHIEF linked terminal, to receive up to date information on entries cleared and balances in your account for the current month and the previous quarter.

7.1.1 Transaction screen DFAD - Display FAS Account Details

This facility allows you to display details of your FAS account (including current balances) with options for displaying particular transactions for a particular calendar day at an EPU.

The transaction can be invoked by downward selection from the FAS account EPU field displayed by other transactions. The transaction displays current details, including balances, with options for further display of:

- All transactions for a particular calendar day;
- All transactions relating to an import entry on a particular calendar day;
- All payments and withdrawals (including contras) on a particular calendar day;
- Contact details and entry limits (from AFOD – Amend FAS Owner Details);
- General and Reserved balances; and
- Total value of entries in the 4 suspense groups.

The suspense figures are for transactions awaiting general funds and do not include entries awaiting specific payments. The suspense total for each priority group is displayed so that DFSA (Display FAS Suspense Account) can be selected via the field to display details for the priority group.

DFAD also provides a field for selecting LPWN (List Payment/Withdrawal Notifications) to obtain a list of FAS payment and withdrawal notifications and their status.

7.1.2 Transaction screen DFSA – Display FAS Suspense Account

This facility allows you to display current details of your FAS suspense account.

8. Statements

8.1 Do you provide me with written details of my FAS account?

Yes. We will provide a monthly statement if you so wish. Your EPU can advise.

8.2 What information is contained on my FAS monthly statements?

Your FAS monthly statements will advise of the following:

- Summary of trader account;
- Payments and payment deletions;
- Withdrawals and withdrawal deletions;
- Duty adjustment credits and deletion contra debits;
- Duty adjustment debits and deletion contra credits;
- Cleared entries;
- Cleared entries with MCD method of payments.

You should keep details of each entry input to the system for use in checking statements.

Accounting queries should be made in writing to the centralised site at Salford.

Enquiries regarding non-receipt of statements should be directed to your EPU.

8.3 Can I receive this information in other forms?

Yes. Your FAS account is also available for interrogation and print outputs from your own CHIEF linked terminal throughout the current period, using the facilities outlined in Section 7. You may consider this as an alternative, or in addition to, your monthly statements.

8.4 Can I get duplicate copies of statements?

You may be able to get copies of statements from your EPU although a small fee may be involved. Please seek advice from your EPU. You will, however, be able to interrogate transactions processed within the current month and the previous quarter from your own CHIEF linked terminal. See details contained in Section 7.

9. Glossary of terms and abbreviations

BACS: Bankers Automated Clearing System

CHAPS: Clearing House Automated Payments System

CHIEF: Customs Handling of Import/Export Freight

DTI: Direct Trader Input

EPU: Entry Processing Unit

FAS: Flexible Accounting System

Immediate payment: Payment methods are guaranteed cheque, bank draft, BACS, CHAPS

MCD: Miscellaneous Cash Deposit

MOP: Method of Payment Code. For FAS payments:

- D = Immediate payment debited to cash account (DTI/FAS)
- P = Security from agent's cash account (MCD FAS).

TURN: Trader's Unique Reference Number

Do you have any comments?

We would be pleased to receive any comments or suggestions you may have about this notice. Please write to:

**HM Revenue & Customs
Accounting Services
Tax Accounts
9th Floor North East
Alexander House
Victoria Avenue
Southend-on-Sea
Essex SS99 1AA**

Please note this address is **not for general enquiries**. You should ring our National Advice Service about those.

If you have a complaint or suggestion

If you have a complaint please try to resolve it on the spot with our officer. If you are unable to do so, or have a suggestion about how we can improve our service, you should contact one of our Regional Complaints Units. You will find the telephone number under 'Customs and Excise - complaints and suggestions' in your local telephone book. Ask for a copy of our code of practice 'Complaints and putting things right' (Notice 1000). You will find further information on our website at <http://www.hmrc.gov.uk>.

If we are unable to resolve your complaint to your satisfaction you can ask the Adjudicator to look into it. The Adjudicator, whose services are free, is a fair and unbiased referee whose recommendations are independent of HM Revenue & Customs.

You can contact the Adjudicator at:

The Adjudicator's Office
Haymarket House
28 Haymarket
LONDON
SW1Y 4SP

Phone: (020) 7930 2292

Fax: (020) 7930 2298

E-mail: adjudicators@gtnet.gov.uk

Internet: <http://www.adjudicatorsoffice.gov.uk/>

Update 1 issued July 2006

This slip updates the notice by including vital bank account information, required to ensure funds are correctly allocated.

Section	Amendments
3	Funding your FAS account
3.2.2	Electronic payment

	<p>First paragraph end of 1st sentence “You may make a payment by BACS or CHAPS at your bank counter or via the Internet, or telephone banking”</p> <p>Extend paragraph/sentence to include:</p> <p>“, to the HM Revenue & Customs FAS bank account at the bank of England:</p> <p>Account Name: Central FAS Receipts Account</p> <p>Sort Code: 10-00-00</p> <p>Account Number: 22079300”</p> <p>Second paragraph in between “it is essential that you...” and “include a payment reference.....”</p> <p>Add: “use the correct bank account (details above) and”</p>
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