

Temporary Import/Export of horses between Ireland and Non-European Union Countries (including Great Britain)

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1. Introduction

From 11pm on 31 December 2020, the United Kingdom (UK) left the European Union (EU). The UK is still Ireland's (IE) closest trading partner and there will continue to be large movements of goods between the countries. The Union Customs Code sets out the rules applicable for goods brought into or taken out of the customs territory of the Union. The EU–UK Trade and Cooperation Agreement [EU–UK TCA] outlines inter alia the conditions which have to be met for goods to avail of a preferential tariff when moving between the EU and the UK. The primary condition is that goods being exported to Ireland from the UK must be of UK preferential origin to avail of the 0% tariff rate to enter the EU and goods being imported to the UK from Ireland must be of EU preferential origin to avail of the 0% tariff rate to enter the UK.

Further details are available at [rules of origin](#) and [EU-UK Trade and Cooperation Agreement](#)

The scenarios outlined below relate to the temporary import and temporary export of horses between IE and Non-EU Countries (including GB) e.g., for breeding, competing in races etc.

2. Temporary import of horses into IE from a non-EU country – company established in the EU

Temporary admission using a full authorisation.

- An application for temporary admission and comprehensive guarantee authorisation should be made on the EU Customs Decision System. In some cases, a comprehensive guarantee is required as a form of security to cover potential or existing customs debt. The comprehensive guarantee can be in the form of a cash deposit or an undertaking from a financial institution. There are obligations under the authorisation which include adhering to the conditions of the temporary admission procedure, maintaining records, ensuring the comprehensive guarantee amount is sufficient and advising customs of any changes which may impact the authorisation. Where a company has a full temporary admission authorisation, there is no requirement for a deposit to be deducted each time a horse is temporarily imported as the comprehensive guarantee is in place. A 'H3 electronic customs import declaration can be submitted on the Automated Import System (AIS) declaring the goods to the temporary admission procedure (code 53) and including the authorisation number. In cases where an importer has a full authorisation in place for the temporary admission of horses and the waiver of security is applicable to the horse (see details in the next paragraph regarding possible waiver of security for horses in certain circumstances) then this will be taken into account when calculating the reference amount for the comprehensive guarantee. Further information is available on the Revenue website at Temporary Admission.

Temporary admission authorisation based on a customs declaration.

- A 'H38f' electronic customs import declaration can be submitted on the Automated Import System (AIS) declaring the goods to the temporary admission procedure (code

53). Additional information on the procedure is required with this type of temporary admission authorisation. The deposit, where applicable, for any Customs Duty/ Import VAT is taken at import and refunded when the horse is re-exported. Irish VAT registered importers can avail of postponed accounting to postpone payment of VAT on the temporary import of a horse.

Temporary Admission of Horses for Sporting Events, Breeding, Training, Transhumance/Grazing or the performance of work or transport

It is possible to import a horse for sporting events, breeding, training, transhumance/ grazing or for the performance of work or transport under the temporary admission procedure using the H38f declaration without the requirement for a security deposit.

The waiver of the security deposit for breeding and training **applies only to pure-bred horses**.

The H38f should include the following codes in Data Element 2/3:

Sporting Events	Code 1H01
Transhumance/ grazing or the performance of work or transport	Code 1H02
Breeding	Code 1H03
Training	Code 1H04

The following supporting documents should be uploaded on AIS when the H38f is submitted:

A copy of the horse's passport is required for the temporary admission of a horse for any of the above activities.

Sporting events – proof of the scheduled attendance at a race meeting/sporting event.
Breeding, Training, Transhumance/Grazing or the performance of work or transport – evidence that there is an agreement/contract for the service. This evidence could be satisfied by a copy of the agreement or contract (details of fee amounts are not required) which includes the details listed below or a letter issued on the headed paper of the service provider that includes:

- identification of the horse e.g., passport number
- names and addresses of both parties (horse owner and stud farm / trainer)
- location of service
- length of time
- signature of both parties

ATA Carnet

- The ATA Carnet is an internationally recognised document and can also be used for a temporary import/export. It is a paper document which should be stamped by the Customs Authorities at the point where the goods enter and leave the EU. The ATA carnet is issued in the country from where the goods are exported. You must present the ATA carnet with the goods to customs at the point of exportation and importation. The advantages of the ATA Carnet are that it covers both the EU and non-EU requirements and customs declarations are not required. There are two payments required for a Carnet to issue – (i) the issuing fee and (ii) the security deposit. The security deposit is refundable once the Carnet is returned to the issuing authority properly stamped. The amount of the security deposit depends on the type of goods being carried and the country/countries they are going to. Further information on the ATA Carnet is available on the Revenue website at ATA Carnets.

3. Temporary import of horses into IE from a Non-EU Country – companies not established in the EU

Temporary admission authorisation based on a customs declaration.

- A H38f electronic customs declaration can be submitted on the Automated Import System (AIS) declaring the goods to the temporary admission procedure (code 53). Additional information on the procedure is required with this type of temporary admission authorisation. The deposit, where applicable, for any Customs Duty/Import VAT is taken at import and refunded when the horse is re-exported.

Temporary Admission of Horses for Sporting Events, Breeding, Training, Transhumance/Grazing or the performance of work or transport

It is possible to import a horse for sporting events, breeding, training, transhumance/ grazing or for the performance of work or transport under the temporary admission procedure using the H38f declaration without the requirement for a security deposit.

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The following supporting documents should be uploaded on AIS when the H38f is submitted:

A copy of the horse's passport is required for the temporary admission of a horse for any of the above activities.

Sporting events – proof of the scheduled attendance at a race meeting/sporting event.

Breeding, Training, Transhumance/Grazing or the performance of work or transport – evidence that there is an agreement/contract for the service. This evidence could be satisfied by a copy of the agreement or contract (details of fee amounts are not required) which includes the details listed below or a letter issued on the headed paper of the service provider that includes:

- identification of the horse e.g. passport number
- names and addresses of both parties (horse owner and stud farm / trainer)
- location of service
- length of time
- signature of both parties

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4. Postponed VAT Treatment for Temporary Admission

If you are authorised for VAT Postponed Accounting, the VAT amount, where applicable, does not have to be collected at point of import when the H38f is submitted to AIS and can be dealt with via the Trader VAT return. The H38f should include the following details:

Data Element 2/3

Code 1A05 followed by text IEPOSTPONED

5. Re-export of horses after Temporary Admission

The MRN of the H38f declaring the goods to temporary admission at import should be included in DE 12 04 001 000 and 1Q28 in DE 12 04 002 000 of the re-export declaration on AES. The horse's passport should be presented to confirm that it is the same horse being re-exported. The routing must be checked at the point of re-export. If the declarant fails to comply with the obligation to present the horses to Customs when the horses are being temporarily imported or being re-exported after temporary admission, this failure may result in administrative penalties being imposed under the Customs Act.

6. Procedure to claim a deposit refund

Once the horse is re-exported, the declarant can make a request for a refund of any duty on deposit. Proof of re-export (i.e. the MRN of the export declaration) will be required.

A deposit refund request should be submitted on AIS (message RD415). A copy of the re-export declaration should be included with the RD415. These documents can be submitted under the "Add Attachment" option in AIS.

7. Temporary export and re-import of horses from IE to a Non-EU Country

An electronic customs export declaration can be lodged on the Customs AES system when the horse is temporarily travelling from IE to a Non-EU country. Procedure Code 23 for temporary export is included on the declaration. No financial deposit/guarantee is required. When the horse is being re-imported into IE from outside the EU an electronic re-import declaration should be submitted on the Customs AIS system using procedure code 6123 (re-import after temporary export) and a claim for returned goods relief can be made at re-import if

- the horse returns in the same condition as it was exported
- the horse is re-imported within 3 years of the date of export
- the original export declaration should be available as proof that the horse was originally exported from IE
- VAT relief can only apply if the horse is re-imported by the same person that originally exported it.

The returned goods relief is claimed on a standard import declaration meaning full import formalities including risk analysis, examination, presentation of licenses etc. will apply. Where goods that are subject to Sanitary and Phyto-Sanitary (SPS) requirements have been exported from the Union and subsequently re-enter the Union they will be subject to full import controls as set out in the Official Controls Regulation. You will need to consult with the Department of Agriculture, Food and the Marine in order to understand the requirements relating to the importation of horses.

Further information on the criteria to qualify to claim 'Returned Goods Relief' is available on the Revenue Website at [Goods re-imported into the EU](#)

ATA Carnet

The ATA Carnet can also be used to temporarily export horses from IE to a non-EU country. The Carnet is an internationally recognised document. It is a paper document which should be stamped by the Customs Authorities at the point where the goods enter and leave the EU. The advantages of the ATA Carnet are that it covers both the EU and non-EU requirements and customs declarations are not required. The Dublin Chamber of Commerce is the authorising body in Ireland. There are two payments required for a Carnet to issue – (i) the issuing fee and (ii) the security deposit. The security deposit is refundable once the Carnet is returned to the Chamber properly stamped. The amount of the security deposit depends on the type of goods being carried and the country/countries they are going to.

8. Temporary import of horses from a non-EU country to IE for possible sale

Horses can be temporarily imported for possible sale in the following scenarios:

- At auction
- For inspection and possible purchase.

A 'H38f' electronic customs declaration can be submitted on the Automated Import System (AIS) declaring the horse to the temporary admission procedure (code 53). Additional information on the procedure is required with this type of temporary admission authorisation. The deposit for any Customs Duty/Import VAT is taken at import.

If the horse is sold and released to free circulation the Customs Duty/Import VAT is brought to account using a 'H1' electronic customs declaration. If the horse is re-exported the deposit will be refunded.

Irish VAT registered importers can avail of postponed accounting to postpone payment of VAT on the temporary/permanent importation of a horse.

9. Different scenarios on movement of horses and claiming Returned Goods Relief

- **A racehorse is temporarily exported from IE to a non-EU country. While there it wins a race that results in the value of the horse increasing substantially. The horse then returns to IE.**

In this case, the horse returned to the EU is the same horse that had initially been exported; therefore, relief from import duty can be claimed under 'Returned Goods Relief'.

- **A horse is temporarily exported from IE to a non-EU country for breeding purposes. It returns to IE "in foal".**

In this case, the horse returned to IE is the same horse that had initially been exported. Additionally, the embryo itself is not a separate entity from its mother. Relief from import duty can be claimed under 'Returned Goods Relief'.

- **A horse is temporarily exported from IE to a non-EU country for breeding purposes and while there has a foal. On return to IE, the mare and foal return.**

In this scenario we have two separate entities, i.e. the mare and the foal. While the mare can be dealt with as a returned good and duty relief can be granted under 'Returned Goods Relief', the foal itself had never been exported from IE, therefore it cannot be dealt with as a returned good and does not qualify for relief from import duty. Full customs import formalities apply for the foal.

10. Valuation of Horses for Temporary Admission

The value of goods for customs purposes is usually the transaction value, that is the price actually paid or payable for the goods, the invoice price. The value must also include the cost of transport and insurance and any other payments made or to be made for the imported goods.

For Temporary Admission, there is no invoice price thus no transaction value, as there is no purchase/sale transaction.

There are six methods of valuation that apply in hierarchical order. For horses in Temporary Admission, method 1 (transaction value) cannot be used. Thus, the next method which is the transaction value of identical goods is considered. This may not be possible for horses so the method for the transaction value of similar goods may be the most appropriate method of valuation. This would be the 'market value' of the horse.

General Valuation Rules for all products

There are six methods of valuation that apply in hierarchical order. If method 1 (transaction value) cannot be used, then the next method should be used and so on:

1. The transaction value method - the price actually paid or payable for the goods, the invoice price. The value must also include the cost of transport and insurance and any other payments made or to be made for the imported goods.
2. The transaction value of identical goods – identical goods are identical to the goods being valued in all respects including quality and quantity.
3. **The transaction value of similar goods - similar goods will differ in some respects from the goods being valued. They should carry out the same tasks, be produced in the same country and be commercially interchangeable with the goods being valued. This would be the 'market value' of the horse.**
4. The deductive method - goods are valued at the unit price at which the goods are sold in the EU. Deductions are made for commissions, internal EU costs of transport, insurance etc., and customs duties and any other taxes paid on import.
5. The computed method - cost of materials + Processing + Profit + Transport etc = Customs Value
6. The residual valuation provision - if it is not possible to use any of the other methods, the value may be determined by applying those methods in a flexible manner

11. Direct Representation for Temporary Admission

Indirect Representation is not possible for declarations for Temporary Admission as the holder of the special procedure must be the holder of the authorisation under Article 211 UCC, which is not the case with indirect representation.