

Dubai Customs announces new policy on the Voluntary Disclosure System

Businesses are encouraged to come forward to fix errors in their customs declarations and take advantage of a full or partial penalty waiver

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In brief

Dubai Customs has announced Customs Policy No. (58/2024) on the “Voluntary Disclosure System”. A self-disclosure process was already in place with Dubai Customs but in an effort to promote good customs practices, Dubai Customs has provided new streamlined rules to encourage businesses to voluntarily disclose errors made in regards to customs compliance.

The rules outline the processes and procedures of the “Voluntary Disclosure System” and how businesses can voluntarily inform Dubai Customs upon discovering an error or violation through the submission of a voluntary disclosure request via the electronic customs system.

The new rules were published on 27 June 2024 and can be accessed [here](#).

In detail

Voluntary Disclosure

Voluntary Disclosure refers to businesses taking the initiative to inform Dubai Customs of any errors or violations in regards to customs compliance upon their discovery. The system enables businesses to disclose customs errors or violations made during the customs clearance process, prior to their detection by the authorities.

Dubai Customs wishes to create a culture of transparency and trust with businesses through allowing them to voluntarily declare any errors and as a result, facilitate the payment of duties, if applicable and avail partial or full exemption from customs penalties.

The voluntary disclosure applies to the following violations:

1. Import and export violations
2. Customs declaration violations
3. Transit violations
4. Warehouse violations
5. Violations in areas supervised by customs
6. Temporary import violations
7. Re-export violations
8. Any other customs violations

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The Voluntary Disclosure System aims to enhance Dubai Customs services and encourage businesses to utilize the voluntary disclosure system to promote a culture of compliance, transparency, trust, and participation.

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Voluntary Disclosure System

Submission process

Businesses are required to electronically submit a voluntary disclosure request via the electronic customs systems, along with supporting documentation and records indicating the error. Upon approval, businesses must settle any due customs duties within 30 days from the date of receiving the financial claim notification from Dubai Customs. Failure to settle the financial claim within the prescribed period will result in the consideration of the voluntary disclosure request as null and void, and Dubai Customs reserves the right to take any further necessary actions against the business, including initiating a customs audit.

It is important to note that voluntary disclosure requests will not be accepted by Dubai Customs for businesses targeted for post clearance customs audits. This is also true for businesses that have been contacted by Dubai Customs in reference to a referral or the initiation of an inspection, investigation, or customs audit of the business.

Helpful links

Voluntary disclosure request can be accessed through the following electronic channels:

[Dubai Customs](#)

[Dubai Trade](#)

The takeaway

Next steps to consider

Businesses engaged in international trade and customs activities in Dubai (both free zones and mainland) are encouraged to review their historical customs position and consider disclosing any errors or violations discovered. Businesses will not only benefit from the waiver of the applicable penalties but also will enable them to ensure compliance with the customs rules as part of their operations in Dubai. This is a best practice that compliant businesses should include in their regular-cycle internal audit processes.

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Let's talk

For a deeper discussion of how this issue might affect your business, please contact:



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