

wts newsletter

WTS Klient.
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highlights

Electronic Public Road Transportation Control System (EKAER) – A new administrative obligation in road transport – As of 1 January 2015, road transport with road vehicles of over 3.5 t can only be undertaken in possession of an EKAER number. In addition, an EKAER number must also be requested for transport via smaller vehicles if the goods qualify as hazardous goods. There is also a new tax law scheme linked to the transportation of hazardous goods: the introduction of a security deposit payable by the taxpayer, mandatory from 31 January 2015. In our newsletter we have summed up the main rules.

Electronic Public Road Transportation Control System (EKAER) – A new administrative obligation in road transport

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» What is EKAER?

WTS Klient: The Electronic Public Road Transportation Control System, abbreviated as EKAER, is an electronic system operated by the National Tax and Customs Administration (NAV) and created to track the actual route of goods.

» What is the EKAER number?

WTS Klient: An automatically generated identification number created following notification of the goods' road transport, identifying the unit comprising the goods shipped to one customer via road vehicle (a single unit may include goods with different customs tariff headings). After 1 January 2015, road transport can only be undertaken in possession of this number. A new EKAER number, valid for 15 days, must be applied for prior to every carriage.

» What type of transport requires an EKAER number?

WTS Klient: To apply for an EKAER number, the following must be reported:

1. acquisition of goods or other cross-border moving of goods (shipping of own goods, transporting goods for contract manufacturing processing) from another European Union Member State to Hungary
2. sales of goods or other exports from Hungary to another European Union Member State,
3. first domestic sale of goods subject to taxation (except if this entity is the end user, i.e. a private individual acquiring the goods for own use), if carriage is performed by road transport using tolled vehicles. (Tolled vehicles include lorries or towing vehicles – including articulated vehicles – with a technically permissible maximum laden weight of more than 3.5 t, as well as combined vehicles consisting of any of these and the attached trailer or semi-trailer.)
4. An EKAER must also be applied for if the conditions defined in legislation are met with regard to the shipping of hazardous foods and other hazardous goods.

» Who has to apply for an EKAER number (the carrier or the company procuring/selling the goods)?

WTS Klient: The Hungarian recipient of the goods, or, for goods shipped to another Member State or domestic shipments, the sender is primarily responsible for obtaining the EKAER number, i.e. as the main rule, the notification obligation and liability for the penalty levied if the obligation is not met lies with the seller or acquirer of the goods. The seller or acquirer must then transmit the EKAER number to the carrier or logistics firm.

» Where can an EKAER number be applied for?

WTS Klient: Applications can be submitted online after requesting the username and password through the electronic tax portal (Ügyfélkapu).

» What data needs to be reported when applying for an EKAER number?

WTS Klient: Act XCII of 2003 on the Rules of Taxation defines the data to be reported, which is partly linked to the shipped goods (e.g. product name, customs tariff heading, weight, article number) and partly to the transport (e.g. name and address of the sender, reason for transport, vehicle registration plate).

» Can a company engage a third party to perform the mandatory notification?

WTS Klient: Yes, any person granted a standing authorisation or any other authorised party may perform the notification. A username and password must be requested for the authorised party via the online EKAER website.

» What is the notification deadline?

WTS Klient: In the case of road transport from another EU Member State for the purposes of procuring goods, the EKAER number must be applied for prior to the start of carriage. In the case of road transport to another EU Member State for purposes of selling or transport to a domestic address (to a non-end user), the EKAER number must be applied for prior to the start of loading.

» What are the consequences if transport is performed without an EKAER number?

WTS Klient: Transportation without an EKAER number means that unnotified products shall be considered to be of unverified origin, enabling the National Tax and Customs Administration (NAV) to impose default penalties of up to 40% of the value of the goods in question. Penalties may be imposed after 31 January 2015.

» What special provisions govern the transportation of hazardous goods? (Security deposit on hazardous goods)

WTS Klient: A security deposit shall be set aside for the procurement of hazardous goods or other hazardous goods from another European Union Member State to Hungary or import for other purposes by the acquirer or the seller in the case of the first domestic sale to a non-end user party subject to taxation. The security deposit shall amount to 15% of the value of the goods, exclusive of tax, during the 60 days prior to notification (including the day of notification). Security deposits shall be mandatory from 31 January 2015, with the value of the goods during the 30 preceding days forming the basis of the deposit. There is a list of hazardous goods and other hazardous goods by customs tariff numbers.

» How does the security deposit on hazardous goods have to be paid?

WTS Klient: The security deposit must either be placed on a specific deposit account or provided in the form of a guarantee undertaken by a financial institution, payments institution or investment enterprise and registered by the National Tax and Customs Administration. Entities listed in the database of qualified taxpayers or in the database of taxpayers with no public debt managed by the National Tax and Customs Administration at least for the past two years, and with a valid (non-suspended) tax number at the time of requesting an EKAER number are not required to provide a security deposit.

The newsletter accurately reflects the statutory provisions as they stand at the time of its issue.

The authors of the news articles have endeavoured to provide general information that both reads well and is professional. Given the general nature of the content and possible changes to legal regulations, please contact us if you require this information tailored to your personal circumstances.

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