

The Hidden Tariffs Irish Importers Are Overpaying and How to Get Refunds

Introduction

Many Irish importers unknowingly pay more than they should in customs duties and VAT. These hidden overpayments happen because of complex rules, misclassifications, and Brexit-related changes. The good news is that in many cases, refunds can be claimed retroactively.

1. Why Overpayments Happen

- HS Code Misclassification: Using the wrong tariff code leads to higher duty rates.
- Incorrect Origin Declarations: Misunderstanding rules of origin after Brexit causes avoidable tariffs.
- VAT Calculation Errors: Mistakes in applying the correct VAT rate or exemptions increase costs.

At BUCKOD we have looked at SAD and commercial invoices in the past of companies with high import value and seen significant issues with misclassification and generic codes being used.

2. The Refund Opportunity

Irish importers can reclaim overpaid customs duties and VAT for up to three years in most cases. This means if you imported goods in 2022 and overpaid, you may still be entitled to a refund today. We will help you and guide you into the refund process to ensure you are reimbursed any past overpayments your business might have paid.

3. A Practical Example

An Irish SME importing aluminum construction screws misclassified its products under a higher duty category being too generic. After a review, the correct HS code was applied, leading to a refund of over €10,000.

4. How to Check If You Overpaid

- Review your import declarations and HS codes.
- Check origin documentation from suppliers, especially post-Brexit UK goods.
- Compare declared VAT against applicable Irish VAT rules.

5. Next Steps for Importers

- Conduct a Customs Health Check: Review declarations for the past 2–3 years.
- Apply for Refunds: Submit correction requests to Irish Revenue with evidence.
- Prevent Future Overpayments: Set up a compliance process to ensure further codes are accurate and goods not misclassified.

Conclusion

Customs and VAT refunds are often overlooked, but they can provide Irish businesses with significant savings. By reviewing past declarations and correcting errors, companies can recover money and improve compliance for the future.