# What is a Bonded Warehouse?

A Customs Bonded Warehouse is a secure place to export/import or store goods. The importer has to pay the duties only when the goods are removed from the storage. The reason why we call it a “bonded” warehouse is because when the goods enter the Bonded Warehouse, the importer and the warehouse owner sign a bonded agreement. This means businesses don't have to pay import duty and VAT, so while products are in the Bonded Warehouse, it's effectively a duty-free zone.

# What is the function of a Bonded Warehouse?

Like a standard warehouse, a Bonded Warehouse allows a business to store their goods closer to foreign customers for faster delivery, with the advantage of pushing out the payment of custom duties until the goods are released from the Bonded Warehouse. They are used for storing imported or exported goods.

# What is a Non-Bonded Warehouse?

A non-Bonded Warehouse is a storage space for goods on which the duty is already paid. They do not have a deferred payment model like Bonded Warehouses. These warehouses are supervised by the port authorities rather than the Customs Authority. The importer of the goods has to immediately pay the taxes and ensure the goods are inspected, irrespective of their final destination.

# **Information related to Webform/Excel Supplier Facing form submission.**

A Vendor Code can be either Bonded or Non-Bonded, it can’t be both. The submitted Webform/ Excel Supplier Facing form only allows for a warehouse to be selected as Bonded or Non-Bonded.

A Manufacturing site cannot be a Bonded Warehouse – if the Webform/Excel Supplier Facing form is submitted and the Manufacturing site is highlighted as being a Bonded Warehouse the Vendor Master team would inquire the request back to the Supplier/Buyer notifying them that this is not an allowable creation or amendment. It is ultimately the Buyer’s responsibility to ensure the Supplier Data is correct, the VM Team will copy the buyer in any correspondence with the Supplier.

**It is important that this information is kept up to date and in the event that JLR incurs any costs (including penalties or fines) as a result of incorrect information being submitted by the vendor, JLR reserve the right, (without prejudice to any other right or remedies available to Jaguar Land Rover) to recover any such costs from the vendor.**

# Example where Bonded/Non-Bonded Warehouse is selected in Webform.

A screenshot of a computer screen

Description automatically generated