



PENALTIES AND APPLICATIONS UNDER ARTICLE 235/5

OF THE CUSTOMS LAW

TOBBUND
BRIDGING BORDERS

Impact on the Industry

This situation increases the operational costs of logistics companies and puts Turkey at a competitive disadvantage in international transit trade. Specifically, these penalties pose a significant barrier to achieving strategic logistics goals, such as those outlined in the Middle Corridor Project.

Conclusion and Recommendations

Penalties imposed under Article 235/5 of the Customs Law should be made more proportionate, and a more reasonable sanction mechanism should be adopted for tariff errors and operational discrepancies. In this context:

- Reviewing the penal liability of goods subject to the transit regime
- Introducing regulatory measures instead of administrative fines for simple tariff and loading errors
- Applying summary declaration discrepancies provisions in case of identification of undeclared goods, as in other modes of transportation
- No penalties to be applied in the absence of seal tampering

Adopting a legislative structure in compliance with international standards

The industry's expectation is to find solutions to these issues through more effective collaboration between public authorities and the private sector. A transparent, predictable customs regime that enhances competitiveness will strengthen both the logistics sector and Turkey's role in international trade.



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Paragraph 5 of Article 235 of the Customs Law is a regulation introduced mainly to combat smuggling and requires the imposition of an administrative fine if the actual content of the declared goods differs from the declared information. However, in practice, the penalties imposed under this article cause significant financial burdens due to tariff errors, operational loading differences, and even for goods subject to the transit regime.

Current Situation and Issues

Although Article 235/5 of the Customs Law aims to prevent smuggling activities, the following key issues arise in practice:

- **Penalties Imposed on Goods Subject to the Transit Regime:** Unjust penalties may be imposed even on goods that are merely transiting through our country. However, these goods will not be released for free circulation in Turkey but will instead be subject to customs procedures in another country.
- **Inclusion of Tariff and Operational Errors in Penalty Scope:** Excessive fines may be imposed due to minor tariff errors or discrepancies arising from logistical operations. This situation leads to significant costs and legal uncertainties within the sector.
- **Penalties Imposed Even in the Absence of Seal Tampering:** Fines may still be applied if different goods are found in vehicles, even when no seal tampering is detected. This creates unforeseeable risks for logistics companies and guarantors.
- **Incompatibility with International Practices:** In European Union regulations, discrepancies in quantity are tracked rather than penalized with administrative fines. However, in Turkey, excessive penalties are imposed on road shipments, while more flexible rules apply to sea and air transportation.

