

## Information about EKAER

**From 1 January 2015, the transport activities in Hungary have to be reported in the Electronic Public Road Trade Control System (EKAER) by companies registered in Hungary**

The Electronic Public Road Transportation Control System (EKAER) will help the tax authority in tracking every product transported in Hungary. The purpose of the system is to make sure that no goods are put in circulation in Hungary that were not previously reported to the Hungarian Tax and Customs Authority (NAV). The introduction of the system is a key element of the regulations serving the whitening of the economy and the fight against corruption.

The system serves the control of the fulfilment of tax obligations in relation to the road transportation of goods in connection with

- a) the acquisitions of goods or importation for other purposes to Hungary from other member states of the European Union,
- b) the supply of goods or exportation for other purposes from Hungary to other member states of the European Union and
- c) the first taxable supply of goods to non-final users within the territory of Hungary.

Hungarian taxpayers will have reporting obligation for the purpose of determining the EKAER number in relation to above activities involving road transportation performed with vehicles subject to a road toll (having a total weight of over 3.5 tons). In the case of hazardous goods, a special rule will apply to reporting.

The reports must contain among others the following information:

- data of the dispatcher and the addressee
- the address and time of loading and unloading
- data of the products: description, customs tariff code, gross weight
- the reason of the transport (supply or acquisition of goods, toll manufacturing, other)
- the plate number of the vehicle.

Based on the data submitted in the online system, the state tax and customs authority defines an identification number (the EKAER number). In practice, this means that a number is generated on the electronic EKAER interface. The EKAER number identifies the product unit transported by the vehicle to one addressee and not the carrier.

The EKAER number is valid for 15 days. Certain data can be changed during this time (e.g. plate number, weight), but only before the arrival of the goods to the Hungarian border.

If the taxpayer fails to fulfil its reporting obligation, the goods will be regarded as having uncertified origin and, from 1<sup>st</sup> March 2015, the Hungarian Tax and Customs Authority may impose a default penalty of up to 40 % of the consideration of the unreported goods to the taxpayers having reporting obligation.

Detailed and official information in several languages: <https://ekaer.nav.gov.hu/articles/view/information>