PRACTICAL POST-IMPLEMENTATION GUIDE

The EU €3 Duty After Go-Live

The deadline has passed. The new Customs Duty regime is in place.

Review what changed, recover control, make sure your checkout & customs agree.

For cross-border eCommerce merchants selling into the European Union

July 2026

WHERE IT ALL STARTS

Phew. July 1 happened.

Orders continued. Parcels moved. Checkouts did not collapse. That's the good news. Merchants everywhere (mostly) breathe a sigh of relief.

But implementing a new customs regime against a fixed deadline inevitably leaves assumptions buried in product catalogues, tax calculations, platform logic and fulfilment processes. The immediate rush may be over. The useful work now is to trace what customers are being charged, what customs authorities are being told and whether the two still agree.

This guide is designed for that review. It explains what the temporary EU flat-rate duty now means in practice, where apparently small configuration choices change basket outcomes, and how to inspect your own operation without starting from the assumption that any one provider has made a mistake.

Fortunately, apart from occasional updates as the reality on the ground catches up with the regulations and interpretations, this new regime should not change for two years. Believe it or not, it should get easier then. The EU just didn't want to wait, or force through the proposed 2028 regulations early.

> **The merchant takeaway**
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> We thought this was a simple €3 charge. Presumably, so did you. It is not.
>
> Your catalogue, checkout or fulfilment process may be producing an avoidable or inconsistent outcome.
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> The next step is to test a real basket end to end: from product data to the declaration actually submitted.

What matters: the bullet points

- From 1 July 2026, a temporary €3 customs duty applies to **low-value distance-sale consignments**[1] up to €150, subject to the route and exceptions described in the Commission guidance. It is due to run until 1 July 2028. [1]
- The €3 is applied per **customs** item. In current declaration processing, this effectively means per declaration line, not per parcel and not per physical unit. [1][2]
- The duty is part of the amount on which VAT is calculated. Therefore, a €3 duty can also increase VAT [3][4]. This makes it even more important to have the correct VAT rate per country for reduced rate or zero rate VAT.
- How product classification, description and origin data are grouped can materially change the duty result for the same physical basket.
- IOSS and DDP solve different problems. IOSS is a VAT scheme; DDP is a delivery term. Neither should be treated as shorthand for the customs route.
- A mismatch between checkout and customs is an indicator to trace the hand-off, not proof that a platform, tax engine, shipper or fulfilment partner is wrong. Often, issues arise in the data exchange or in how two different systems or providers interpret and implement the regulations.

[1] Interestingly, this is not IOSS-only, despite initial interpretations that it was.

THE RULES AFTER GO-LIVE

What is settled now (as best as we can tell)

The flat-rate duty is simple to state, but it sits inside the existing customs and VAT machinery. These are the practical anchors for a merchant review.

1. The period

The temporary duty applies from 1 July 2026 until 1 July 2028, when the EU's wider customs reform is intended to replace it. [1]

2. The threshold

It concerns distance-sale consignments with a total intrinsic value not exceeding €150. Intrinsic value follows customs rules; transport and insurance are excluded only where separately stated rather than built into the goods price. [2]

3. The unit of charge

The Commission defines an item as one or more goods sharing tariff classification, description and, where applicable/provided, country of origin[2]. Current systems apply the €3 automatically per declaration line, regardless of unit quantity on that line. [2]

4. The data depth

The route affects the classification detail available. H1 uses 10-digit TARIC and origin data; reduced datasets use less detail. The declaration data actually submitted therefore matters. [2] Submitting a H7 (reduced) dataset with HS6 codes may result in different grouping than submitting a H1 (detailed) dataset with multiple HS10 codes for the same basket of products[3].

5. The VAT effect

The duty forms part of the VAT taxable amount. In other words, there is VAT to be added to the €3, for each product and at the VAT rate applicable to that product. Irish Revenue's implementation examples explicitly show the €3 duty being added before VAT is calculated. [3][4]. In addition, communication directly between ePAL co-founder and the EU clearly states that[4].

6. The exception

Current Commission guidance provides a route for valid preferential treatment or customs-union measures where VAT was not collected through IOSS and an H1 declaration supports the claim. This is not a generic 'use normal duty instead' option. [1][2]

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[2] Country of origin is a Customs-related term. It does not mean the country the parcel was shipped from

[3] For convenience, the term 'product' will be used throughout this document. It should be understood to mean 'product(s) that share various parameters and are declared on the same declaration line'

[4] Verbatim: "*Under the EU VAT Directive, import VAT is usually calculated on the total taxable amount. This includes the value of the goods, customs duties and other charges linked to the import. As a result, if a charge is treated as a customs duty or similar levy, it is normally included in the VAT base.*"

One operational date still ahead

Product identifiers (PIDs) may be supplied from 1 July 2026 and become mandatory from 1 November 2026. Catalogue and fulfilment mappings should be tested before that deadline. [1][2]

What does this mean? Merchants must ensure that every declaration includes a unique, product-level identifier that an investigation can use to uniquely identify the product. This can be a unique, merchant-specific SKU or something that is publicly shared, or even (for example) a product passport ID.

ePAL will accept PIDs already for convenience & to pass through to shipping documents but will not yet validate them.

A WORKED BASKET

Why €3 is rarely just €3

Consider five identical cotton T-shirts at €10 each, shipped in one consignment to an Irish consumer. Assume all five share the same classification, description and origin; VAT is collected at checkout through IOSS at 23%; shipping is ignored here for simplicity. This is a deliberately simplified illustration, not a quote for a live order.

Scenario	Product ex-Tax*	Duty	VAT	Checkout
Before 1 July	€50.00	€0.00	€11.50	**€61.50**
Post-July 'naive' **€3 per physical unit**	€50.00	€15.00	€14.95	**€79.95**
Post-July grouped **1 declaration line**	€50.00	€3.00	€12.19	**€65.19**

ePAL calculates the ex-Tax price of the product where tax-inclusive prices are available, ensuring the minimum permitted destination Tax & Duty are applied.

What changed?

Ultimately, the total, compliant cost shown to the consumer in the checkout changed.

The product value did not change. The VAT rate did not change. Only the assumed customs-line treatment changed — yet the customer total reduced by €14.76 between the naive and grouped post-July outcomes. The grouped outcome also includes €0.69 of VAT on the €3 duty while the naïve calculation includes €14.95 VAT, of which €3.45 is VAT on the new duty.

That is why 'we added €3' is not a sufficient implementation test. You need to know what your checkout treated as the chargeable item, what data reached the declarant, how declaration lines were built and whether the duty was included in the VAT base.

You also need to know if your checkout used the correct VAT rate for each and every product in the basket.

Test your own basket now

ePAL developed a basket-comparison tool so merchants can see what the future looks like for their cross-border sales, using their own past baskets.

Export some sub-€150 orders from your order records and generate insights on the cost impact of the new duties and the potential cost reductions when optimisation is leveraged.

The tool returns three views: pre-July, post-July 'naive' and post-July optimised. Use the result as the start of a trace, not as a substitute for reviewing the data and route behind it.

And it's free.

Run a basket comparison at epalglobal.eu/simple →

THE END RESULT STARTS AT THE BEGINNING

In-catalogue gotchas

The checkout can only work with the product data it receives. The adage “Garbage in, garbage out” is magnified when the resultant output is a financial calculation likely to change your checkout prices. One of the most value-generating actions that merchants can take early (and regularly) is to make sure that product information systems contain the correct and complete set of Customs-relevant data fields. Leaving these fields was fine until recently because they generally were not used for customs duty calculations (because most baskets were below €150 or were shipped DDU / DAP and tax & duty was left to the shipper and consumer to argue about).

Catalogue quality is part of duty and VAT accuracy, even where classification is managed elsewhere. Here are some of the main issues we have seen in ePAL once merchants started to examine the consignments being shipped after July 1st and ePAL began investigating problems they were encountering.

- **Missing, guessed or stale classification.** A broad or out-of-date code can change the grouping and the route available. Codes also need to survive exports, feeds and platform transformations. They also need to survive Customs investigations, which are, and will continue to be, increasingly automated.
- **Variants copied and categorised without review.** Colour may not change classification; material composition or construction might. A copied parent classification can hide a meaningful distinction. The left-side rearview mirror for a motorcycle is not the same as the right-side rearview mirror if sold to a customer. But it is the same product when declared to Customs. That matters
- **Descriptions that are too broad or needlessly different.** Descriptions contribute to the customs item definition. ‘Clothing’ will almost certainly be too vague; inconsistent wording for identical goods may create unnecessary separation on the declaration.
- **Code truncation between systems.** A six-digit HS code may be enough for one task or calculation but not for another that requires 10-digit TARIC. Check which system owns the deeper classification and when it is applied. ePAL will either use the merchant-supplied HS10 code or automatically supplement HS6 codes with the country-specific HS10 code at the time of checkout or fulfilment.
- **Origin confused with dispatch country.** Country of origin is not necessarily the warehouse or country from which the parcel is sent. It is a characteristic of the product and there are often complicated rules for defining it. Fortunately, manufacturers and suppliers usually have this data and it doesn’t often change. Origin can determine whether a preference claim for reduced rate duties is possible. ePAL is designed to automatically apply preferential rates when the country of origin is declared by the merchant without the merchant even knowing what agreements exist between countries.
- **Preferential treatment assumed without evidence.** Preferential customs treatment for different product origins requires the relevant legal basis and evidence. It should not be inferred from a supplier address or a familiar trade route.

- **Bundles and sets treated inconsistently.** A bundle sold as one commercial product may still need component-level customs treatment. The decision should be documented, not improvised at despatch.
- **Intrinsic-value inputs blurred with shipping.** If transport is separately stated, it may be excluded from intrinsic value; if built into the goods price and not separately identified, the result can differ. [2]
- **Product identifiers not mapped.** PID data becomes mandatory from 1 November 2026. Confirm the source field, format and hand-off before the deadline.

Useful questions for your providers & solutions

- At what classification depth does your catalogue operate, and where is any extra detail added?
- Are description, country of origin and identifiers preserved unchanged through the order and fulfilment feeds?
- Can you see who changed a Customs-specific product information data point, when it changed and why?
- How frequently are classification and regulatory-content rules refreshed?
- Who owns or provides the evidence for any preferential-origin claim?

WHEN THE DEAL IS DONE, IT SHOULD STAY DONE

In-checkout gotchas

Checkout is where the merchant makes a price promise. But often the merchant has no idea if their promise will be carried downstream. It may have rich customer and basket context, but limited visibility of the declaration route that will be used later. This often leads to frustration and confusion over who is at fault. But, to the customer, the merchant made the promise and the merchant didn't keep it.

Making sure that data is correct, complete and consistent at checkout and after checkout is critical to maximising opportunities for streamlined shipping, customs clearance and delivery. In addition, where issues do arise, the same data provides the source of the resolution.

What can go wrong in the checkout?

- **The €3 is attached to the wrong unit.** Per order, per SKU, per physical unit and per commercial line are all tempting shortcuts. None is automatically the same as the customs item/declaration-line outcome. At best, this approach might accidentally result in the correct duty being applied. At worst, merchants (or, more likely, platforms) will systematically overcharge customers additional, unnecessary customs duties and, by extension, additional, unnecessary tax on duties.
- **VAT is calculated before duty is added.** If the duty is outside the VAT base, the amount collected may be short even where the duty itself appears correct. Even if the merchant and customer think the correct tax has been charged, neglecting to include the tax on duty (just like the tax on shipping) results in customs intercepts, delays, additional tax and, by extension, carrier handling charges.
- **Mixed VAT rates are flattened.** A basket can contain goods at different destination-country VAT rates. The duty and any allocation logic need to preserve the correct taxable treatment and it must match the tax treatment of the product that the customs duty is applied to. A standard rate product attracts standard rate tax on the duty while a zero-rated product (e.g. books, children's clothing, feminine hygiene products) can also have zero tax added to the duty.
- **Threshold and currency rules diverge.** The intrinsic-value test, exchange-rate timing and shipping treatment can differ from a platform's ordinary order-total logic. Customs authorities use Fx rates published periodically (e.g. monthly) to identify if a basket in a non-€ currency was over or under €150. It doesn't matter what Fx rate was used in the checkout.
- **The route is assumed too early.** Checkout may not know which shipper, service or declaration dataset fulfilment will use. A default can silently become a fact in later systems. While many merchants can mask this issue by adding tax, duties and related charges as 'import charges', as many platforms do, eventually the exact amounts need to be calculated before delivery. And remember that anything described as tax when collected in the checkout belongs to the relevant tax authorities, not merchants.
- **IOSS is treated as a customs-duty exemption.** IOSS addresses VAT collection. Commission guidance states that goods using IOSS are within the flat-duty scope; route optimisation needs a more precise analysis. [1][2]
- **DDP is used as a proxy for non-IOSS.** DDP is a commercial delivery term ("Incoterm"[5]). It does not, by itself, tell you how VAT was collected or which declaration was submitted.

[5] https://www.trade.gov/know-your-incoterms

- **Customer display and order data disagree.** A correctly calculated amount can still be hard to reconcile if the customer sees a generic 'tax' line while the order record stores duty elsewhere. ePAL provides the exact tax, duty, tax on duty for every line item in every basket and even shows tax on shipping apportioned across every product in the basket where countries permit it (for tax reclaims on returns).
- **The logic cannot inspect the whole basket.** Line-by-line calls can miss grouping opportunities or conflicts that only become visible when the complete basket is evaluated together.

Useful questions for your providers & solutions

- Does your tax calculator calculate customs duty as well as VAT and does it include duty in the VAT base?
- Can your platform or integration evaluate the basket holistically & line by line before finalising the amount?
- How are classification, origin, route and duty decisions stored with the order?
- What does the customer see, and can support teams explain every tax, duty and charge from the order record?
- Which fields and assumptions are passed from checkout into fulfilment?

WHERE PROMISES MEET CUSTOMS

Post-checkout and fulfilment gotchas

Merchants are understandably happy when a sale is made. It's both the lifeblood and validation of their business. Later, at least one other party is involved in the fulfilment of the basket. Where that involves cross border delivery, the customs declaration is the document that customs sees – not the checkout, payment receipt, fulfilment instructions or anything else.

The customs declaration is usually created after checkout, sometimes by a 3PL, 4PL, fulfilment partner, carrier, postal operator or broker. They may be working with a reduced or transformed version of the order data and they are responsible for delivering on your promise.

Here are just some of the ways this can go wrong. Many are not new – but they are now relevant because the 5+ billion parcels that previously didn't attract customs duties now do.

- **The consignment is split or merged.** Warehouse availability, parcel limits, fulfilment partner decisions or carrier rules can turn one checkout basket into multiple consignments or combine multiple orders in ways the checkout did not anticipate. Any change means the customs declaration is wrong.
- **Declaration lines are reconstructed.** A shipper may regroup or split commercial lines to meet its declaration process. That may be legitimate, but it can differ from the merchant's calculation. Since the declaration line is the event that triggers a €3 flat rate duty, shippers adding lines means they are adding duties – which you or your customer will be charged for. Worse, it adds customs delays and additional handling charges at the doorstep.
- **Important fields are dropped.** Classification, description, origin, PID, IOSS and preference data can be shortened, remapped or omitted between platform, WMS, 3PL and carrier.
- **The actual declaration type differs from the planned type.** H1, H6 and H7 carry different datasets and support different treatments. The route submitted is the one that determines the customs outcome. Each data field that is not available at the time of declaration increases the likelihood of customs intercepts, delays and potentially extra fees and charges.
- **The chosen service changes.** A substitution of one carrier over another, or one delivery service type over another (e.g. made to meet a delivery date) may also change the shipper, declarant, clearance route, brokerage fee or data requirements.
- **A second charge appears.** If prepaid amounts, identifiers or routing data are not recognised, a customer may face administration fees, extra duty and VAT on delivery despite paying at checkout. Often, customers refuse or accept on these occasions and quietly start shopping elsewhere in future.
- **No one reconciles the declaration.** Without a sample declaration or carrier invoice, a merchant may not know whether the collected and declared outcomes matched. Without complete knowledge of what was declared, merchants can't possibly resolve the "*Why was I charged extra duty, taxes and handling fees on this order?*" question.
- **An optimisation opportunity is found too late - but not always too late.** A post-checkout validation before shipping can identify a better compliant outcome. The merchant then needs a controlled way to update the shipment and, where appropriate or required by the relevant regulations, refund the customer.

Useful questions for your providers & solutions

- Can your shipper or fulfilment partner provide a sample declaration or an actual declaration for a known order?
- Which order fields are consumed, transformed or ignored when declaration lines are built?
- Are your partners permitted to change the constitution of your orders (e.g. split or merge orders)?
- How are reclassification, service substitutions and declaration variations handled & are they approved?
- Can you compare the carrier invoice/declaration with the amount collected from the customer?
- What is the agreed process when a pre-shipment check finds a better compliant outcome?

REVIEW THE HAND-OFFS

Treat differences as clues

Your tax engine can be very good at VAT without being designed to manage customs declaration lines. It probably doesn’t even know that customs duties apply and therefore doesn’t calculate VAT on them. Perhaps it doesn’t know that Germany requires the VAT on shipping to be apportioned across the products in the basket proportionally. Or that some countries don’t require VAT to be added to shipping at all, depending on what is being shipped.

Your commerce platform can store HS codes without knowing the eventual clearance route. Your shipper can make a legitimate declaration choice that differs from checkout assumptions. Your fulfilment partner can split a consignment for operational reasons.

This is a hand-off problem. A difference between systems or participants in a system is a reason to trace how a decision was made and whether data survived - not proof that anyone made a mistake. Every difference is an opportunity for error and also an opportunity for optimisation. Which one transpires depends on whether the differences are ignored or resolved.

Trace some representative orders

1. Choose a few completed cross-border sales and extract detailed records from start to finish. All the better if you have some recent sales that led to problems during delivery.
2. Start with the product record for every product in the basket: classification, description, origin, value, identifiers and any preference evidence.
3. Investigate the full checkout calculation: basket grouping, duty, VAT base, VAT rate, currency and intended route.
4. Inspect the order and fulfilment payload: identify fields that were preserved, transformed or omitted.
5. Obtain the declaration or equivalent evidence from the declarant: dataset, declaration lines, classification detail, origin and amounts.
6. Contact the Customs authority at the destination country and ask for any decision-related data for the order. This is not an unusual step for problematic or challenged orders.
7. Compare what the customer paid with what was declared and what the merchant/carrier was invoiced.
8. Document the reason for any difference, its customer impact and the owner of the corrective action.

A useful review sample

Often, you can identify different problems by examining baskets with different characteristics. Choose one simple single-line order, one multi-unit order, one mixed-product basket, one mixed-VAT-rate basket, one bundle, one low-value order near your commercial pain point and one order that changed shipper or parcel count after checkout.

A neutral way to open the conversation

Nobody is blaming anybody for doing anything wrong in this scenario. Often, nothing was necessarily 'wrong' – maybe processes and procedures are just different with different providers & systems. Approach your downstream partners and start with an approach similar to this.

"We are completing a post-go-live trace of several representative EU orders. Could you help us map how classification, description, origin, VAT, duty and declaration-line data are consumed and transformed in your part of the flow, and provide the resulting record for one test order?"

IOSS, DDP AND PREFERENCE

Route choice: use precise language

Three terms are often blended together in implementation conversations. Keeping them separate prevents false assumptions.

IOSS

The Import One-Stop Shop is a VAT collection mechanism for eligible low-value distance sales. It does not mean ‘no customs duty’. At least, it previously *did* mean ‘no customs duty’ in the understanding of many merchants because the IOSS regime was aligned with a duty exemption - but now it isn’t. Current Commission guidance places IOSS goods inside the temporary flat-duty scope. [1][2]

DDP

Delivered Duty Paid (DDP) is an Incoterm describing the seller’s delivery responsibilities. It does not identify the VAT scheme or guarantee a particular declaration dataset. It just defines who is responsible for paying the charges to the authorities. A DDP shipment can still attract the temporary duty.

Preference or customs-union treatment

Current Commission guidance permits exclusion from the flat duty where valid preferential treatment or a customs-union measure is claimed, VAT was not collected through IOSS and an H1 declaration is used. The merchant must have a genuinely applicable measure and the evidence needed to support it. [1][2]

Optimisation has two different layers

1. Within the flat-duty route: preserve accurate classification, description and origin so identical goods can be represented consistently and unnecessary declaration-line fragmentation is avoided.

2. Between routes: where a valid preference or customs-union treatment exists, compare the supported H1 route with the flat-duty route - including brokerage, clearance, shipping, VAT, administration and customer-experience costs. Choose whichever is the most cost effective & supported by the chosen carrier. You may need to compare carrier offerings and this might be a good time to do that. Many carriers have changed their product offerings in line with the new regime.

Hint: do not choose a route from duty alone. A lower customs duty amount can be outweighed by brokerage, service constraints, slower delivery, data requirements that you might not have or operational exceptions. The best route is basket- and lane-specific.

AFTER THE SALE

Returns, corrections and customer recovery

The customer experience does not end at import or even successful delivery. Returns and corrections need explicit handling because duty, VAT and carrier fees may follow different refund processes. Many merchants are unaware that tax and duties can be reclaimed for products sent back by the customer. But not for every consignment. And only if the exact duty and tax (including tax on duty and tax on shipping) for very product in the basket can be shown from the order record.

To ensure they can maximise returns, merchants should be aware of the following:

- Write the return policy for the new duty explicitly. Do not assume the duty is refunded simply because the goods came back.
- Separate your change-of-mind returns from faulty or non-conforming goods; the available customs refund process may differ. For example, in the flat rate regime, available evidence suggests that the flat-rate duty is generally not refundable when goods are returned because the customer changed their mind, although faulty or non-conforming goods may be treated differently. Even then, however, the tax on that product may be reclaimable along with the tax on shipping apportioned to it.
- Where IOSS VAT was collected (i.e. in the checkout), the retailer's refund process and terms are the guiding factor. Where import VAT was collected either outside the IOSS process or at the border, a carrier/postal or customs process may be involved. A claim to a Customs authority might be warranted in some cases. In all cases, evidence will be required and that evidence should reflect what happened at checkout.
- Implement a system or process that preserves evidence linking the order, the parcel, the declaration, the return and the refund. Without that chain, recovery can cost more than the tax at issue.
- If a post-checkout, pre-shipment validation reduces the duty, update the shipment data first, then ensure the customer receives any promised difference through a controlled adjustment.
- Train your customer-support staff to distinguish duty, VAT and carrier administration fees. A generic 'customs charge' explanation is unlikely to resolve the case. Even if your checkout sums up all the charges into one line item, ensure that every product in every basket has itemised tax, duty and related charges associated directly with it, not just with the basket.

An Ireland example – although maybe not an EU-wide rule

Irish Revenue states that a change-of-mind return of goods valued at €150 or less may not produce a refund of the €3 customs duty, while faulty or non-conforming goods may be eligible through the courier or postal operator. Processes can vary by Member State and provider, so check the rules that apply to your route and the destination country. [5]

Look at low-price products first

The flat rate duty amount is most visible as a percentage of low item values. Irish Revenue's analysis of 2025 low-value import data found that 25% of line items were valued at €8 or less and 50% at €15 or less. That makes low-price, mixed and multi-line baskets a sensible first review cohort. [6]

FROM DEADLINE MODE TO CONTROL

A 30-day recovery plan

The goal is not a wholesale re-platforming of your eCommerce presence. Not only is that overkill, but it is also not necessary.

The goal should be to make the current flow visible – particularly the data flow - and correct the highest-value gaps and create evidence that the result is stable.

This evaluation and potential tweaks to your systems, processes (and perhaps solutions and providers) should be seen as a necessary business optimisation activity – no different than any other activity designed to minimise costs and maximise profits. It will certainly contribute to both. It is also worth noting this is not 'just for now'. It will make your business more efficient for the next two years. Fortunately, it will even prepare you in advance for the 2028 changes.

Days 1 – 5: establish the baseline

- Analyse representative baskets or run representative baskets through the ePAL basket analysis tool and record the pre-July results, the post-July 'naïve' results and the optimised results. Evaluate which would be the correct result for each of your baskets. If any are different to what was calculated, charged, declared or remitted, investigate why.
- Trace any differences back to the source. This might be all the way back in the checkout or the product catalogue. Make any amendments necessary to source data as early in the process as possible.
- Identify the EU lanes, VAT rates, product families and carriers with the highest volume or customer sensitivity to pricing.
- Select real orders covering the review sample described earlier.
- Name one accountable owner across commerce, tax/customs and fulfilment.

Days 6 – 12: trace and fix the data

- Once you have analysed representative orders, take the fix wider.
- Map product record → checkout calculation → order payload → WMS/3PL → carrier/declarant → declaration/invoice.
- Record how classification depth, description, origin, PID, IOSS/preference indicators, parceling and declaration-line are treated at every hand-off. Make sure each carries the original data unchanged. If not, engage with your solution/provider. You may need to consider changing.
- Compare duty, VAT base and VAT collected with the declared outcome.

Days 13 – 20: correct and test

- Fix catalogue data and transformations that create avoidable ambiguity or fragmentation.
- Update checkout logic, display and stored order evidence where duty or VAT treatment is incomplete.
- Agree a pre-shipment validation and exception process with fulfilment/shipping teams and providers.
- Regression-test simple, mixed, multi-unit, bundle, threshold and return cases. In particular, if any parcels were adjudicated to attract extra taxes or duties by Customs, target these as key orders for

detailed investigation. Many merchants simply accept when Customs imposes extra taxes or duties. By choosing not to fix problems, merchants are simply ensuring it will happen again – along with all the downstream consequences.

Days 21 – 30: operationalise

- Measure the rate and value of differences between checkout and declaration outcomes over time.
- Create a short customer-support playbook for duty, VAT, duplicate charges and returns.
- Set a weekly or monthly review (depending on your rate of cross border sales) until exception rates are stable, then move to random sampling.
- Complete PID readiness ahead of the 1 November 2026 mandatory date.

Useful control metrics to be aware of

- Average duty and VAT per EU order
- Checkout-to-declaration variance
- Declaration lines per order
- Orders re-routed after checkout
- Duplicate-charge contacts
- Duty/VAT refunds
- Low-value order conversion and margin

YOUR NEXT STEP

Start with one real basket

You do not need to diagnose the entire estate before learning something useful. Put one actual basket through ePAL, compare the three outcomes and use the result to ask better questions of the systems and providers already in your flow.

Compare orders to see the difference between pre-July, post-July ‘naive’ and post-July optimised prices.

Use actual products, quantities and destination details.

Use actual orders if you can.

The comparison gives you a practical baseline for tracing catalogue, checkout and fulfilment assumptions.

It can also help you see where there might be optimisation opportunities within your existing catalogue.

epalglobal.eu/simple

Scan to test a basket

Choose how to use ePAL

Route	URL	What it is for
Basket comparison	epalglobal.eu/simple	Directly enter actual baskets and compare pre-July, post-July ‘naive’ and post-July optimised outcomes.
WooCommerce	epalglobal.eu/epalwoo	Use ePAL’s WooCommerce integration to bring product classification and cross-border calculation into the commerce flow.
Shopify	epalglobal.eu/shopify	Support product and cart journeys, then validate checkout-based calculations after checkout* but before shipping, creating a final opportunity to optimise. *Shopify does not permit ePAL to calculate inside checkout.
API	epalglobal.eu/api	Connect ePAL to custom storefronts, order systems, fulfilment flows or other platforms through the API.
Partners and providers	epalglobal.eu/partners	Implementation partners, tax and commerce providers, shippers and aggregators can package ePAL capabilities into their own offerings, either as white-label integrations or by referral.

A note on choices

ePAL can work with merchants’ existing shippers, tax categorisation providers, 3PLs & 4PLs and other partners but, where merchants do not have such arrangements in place for a given destination or route, ePAL provides convenient out-of-the-box integrations for merchants who need a quick start or a short term solution to trial selling to a given destination using ePAL’s capabilities.

SOURCES

Evidence, further reading and scope

This guide combines the European Commission's post-implementation guidance with concrete national implementation examples, ePAL's published analysis and carrier-side operational material. Links were checked in July 2026.

[1] European Commission — Guidance and legal text on the temporary flat fee for low-value imports (8 June 2026)

[2] European Commission — Customs Guidance on the €3 customs duty (PDF)

[3] Irish Revenue — Customs Duty relief on goods under €150

[4] European Commission — VAT taxable amount

[5] Irish Revenue — Claiming a refund of Customs Duty and VAT

[6] Irish Revenue — Customs Duties in 2025: imports of goods valued at €150 or less (PDF)

Carrier-side operational perspective — ePOST Global EU Customs Fee Readiness Guide

ePAL four-part blog series

This series of blog posts was published between the publication of the new EU flat rate duty regulations, subsequent clarifications and publications and the eventual implementation on July 1st. It traces the thought process that led to ePAL's implementation of basket-level optimisation within the rules. Most of the content is still valid (including some of the unanswered questions!). Rather than updating the posts (or deleting them!) we leave them online so others can learn from our journey.

1. The unanswered question
2. Flat-rate duty: when you get it wrong
3. Same basket, different outcome — no accident
4. Merchants who adapt will win

> **Scope and disclaimer**
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About ePAL Global

ePAL helps merchants simplify cross-border commerce through product classification, customs duty, import VAT, excise checks, shipping-related tax and customs documentation — delivered through practical tools and integrations.

ePAL Global: Simple. Optimised. Compliant.