Landed cost cheat sheet

Duty, excise and VAT are worked out in an order, and each step builds on the one before. Get the order wrong and the quote comes up short, usually after the client has accepted it.

1. Start from the customs value

- Many countries, including most of Africa, value imports on CIF: cost of the goods plus insurance plus freight to the point of entry. Some use FOB instead. Check which yours uses.
- Convert at the exchange rate customs applies (often published weekly), not your bank's rate. DeskOS calculator C10 shows what a rate uplift does.

2. Customs duty

- Duty = customs value x the duty rate for the goods' HS tariff code.
- The HS code decides the rate. A wrong code is the most expensive typo in the trade, and back-duty can follow years later (calculator C04).
- Check preferential rates under trade agreements your country belongs to. They usually need a valid certificate of origin (calculator C06 checks regional value content).

3. Excise and other levies

- Excise on goods such as fuel, alcohol, tobacco and vehicles is often charged on customs value plus duty.
- List the other levies, surtaxes and inspection fees for each country you clear in. They are small one by one and large together.

4. VAT on imports

- Import VAT is commonly charged on customs value plus duty plus excise and levies, not on the goods alone.
- Round example: CIF 10,000; duty at 10% = 1,000; VAT at 15% on 11,000 = 1,650. VAT on the goods alone would have been 1,500. That 150 is the margin you lose by doing the sums in the wrong order.
- Some countries add an uplift to the value before VAT. Check whether yours does. Calculator C01 does duty, excise and VAT in order.

5. After the border

- Clearing fees, port and terminal handling, storage, inland transport and insurance to the warehouse.
- Demurrage and detention: a number of free days, then a daily charge per container that often steps up. Calculator C02 shows the exposure day by day.

6. Protect the margin in the quote

- Write the exchange rate you assumed and a validity date on every quote.
- State how many free days you assumed, and who pays after them.

General guidance from DeskOS, not customs or tax advice. Your country's customs law and tariff decide the actual rules.