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**Regarding: Explanatory Notes to a Letter of Authorization**

Following is a list of explanatory notes regarding the letter of authorization:

**General:**

- a. A “Letter of Authorization” (Sections 168 and 169 of the Customs Ordinance) is a power of attorney granted by the owner of the goods to a third party as defined below, in order to act on behalf of the owner vis-à-vis the customs authorities for the purpose of clearing imported goods from customs control, handling export shipments or the carrying out of any other operation.

The link to the form on the *TEHILA* website:

<https://forms.gov.il/globaldata/getsequence/getsequence.aspx?formType=solo01@taxes.gov.il>

- b. According to the laws in force, only the following parties are permitted to act vis-à-vis the customs authorities on behalf of the owner of the goods:
  1. A Customs Agent
  2. An Attorney
  3. An Auditor (Certified Public Accountant – CPA)

It should be noted that under the Customs Agents Law (Section 3 a), the signing of import declarations will be carried out by a customs agent or a licensed clerk if such has at least 5 years of experience.

- c. Notwithstanding the above stated, the owner of imported goods may authorize another person (not specified in the previous section) in order to deal with clearing the goods from customs control, on behalf of the owner, under the following cumulative conditions:
  1. The goods are intended for the owner’s or his family’s personal use.



2. The empowered entity is a first degree next of kin (father, mother, son, daughter, brother, sister, spouse). In very exceptional cases, a customs officer will be able to approve a letter of authorization given to a person who is not one of these (such as: A letter of authorization given to a social worker by a feeble, elderly person).
  3. The value of the goods does not exceed US \$ 325.
  4. The owner of the goods is unable to perform the operation himself for one of the following reasons: Physical incapacity, malady, disability, illness or other reason not dependent upon himself, to the satisfaction of a customs employee.
- d. It is hereby clarified that, in the absence of a letter of authorization, the system will not allow the submission of an import or export declaration by a third party, automatically.
  - e. The Customs Administration will act in conjunction with an empowered entity in accordance with the letter of authorization, as long as a notice of its cancellation has not been given, or as long as the expiry date has not arrived, the chronologically earlier of the two.
  - f. This letter of authorization is a digital document. An empowered entity who is in possession of means of approved digital signature (such as a card issued by Israeli entities – Comsign company or Personal ID company) will fill out the computerized form, will sign with an approved digital signature issued in his name, and will transmit it to the customs system by clicking on the “Submit Form to Customs” button. An explanation for filling out the forms can be found at: <http://www.gov.il/firstGov/flash/FlashForms/start.html>.
  - g. In the absence of an approved digital signature, the letter of authorization must be completed manually and the services of a verifying entity (customs agent, lawyer, CPA, international forwarder or customs employee) will be employed to transmit it to the customs system, it being signed with an approved digital signature of the verifying party.

### **Explanatory Notes for Filling out the Form:**

#### **Part A. Details of the Authorizer and the Empowered Entity:**

- a. In this section, the owner of the goods must specify his details (name and identifying number, such as: I. D. card number, corporation number, etc.) as well as the details of the empowered entity he has authorized to act on his behalf vis-à-vis the customs authorities (customs agent, lawyer, CPA or other person as defined in section 1 / d above).



- b. In the absence of an Israeli identity certificate number or the number of a corporation registered in Israel (a foreign company that is not registered in Israel or a foreign citizen), the owner of the goods must contact a customs employee or a customs agent to arrange the equivalent of an I. D. number.
- c. In case the owner of the goods empowers a number of lawyers or a number of CPAs from the same firm, he must provide the details of each of them.
- d. Later in this section, the owner of the goods is asked to define the framework details of the letter of authorization:
  - 1. Is it limited to a particular date? If no date is specified in field a 1 e, the letter of authorization will be unlimited in time, until the authorizer notifies of the cancelation thereof.
  - 2. Is it intended to deal with a defined import or export declaration? (More than one declaration can be stipulated).
  - 3. Is it intended for handling deposit cases, tax refund claims or predefined shortfall files?
- e. Field a 2 allows the cancellation of an existing letter of authorization given to an empowered entity in the past. In the absence of an indication of the number of the cancelled letter of authorization, all letters of authorizations previously given by the owner of the goods to the same empowered entity, will be cancelled.



**Part B. The Specifying Actions of the Authorizations:**

- a. If the letter of authorization is issued to a customs agent, the authorizer must clarify the purpose of the authorization as detailed below, by check marking the following fields:
  - b1 For the purpose of performing all types of operations regarding imported goods.
  - b2 For the purpose of performing all types of operations regarding exported goods.
  - b3 For the purpose of dealing with the customs regarding the deposits that the authorizer is required to deposit, or that the authorizer wishes to demand the refunding thereof.
  - b4 For the purpose of dealing with customs regarding tax refund claims.
  - b5 For the purpose of dealing with customs regarding the shortfalls required to be paid.
  - b6 For the purpose of dealing with the customs in another matter not specified above, (a request for information and the receipt thereof, the submission of documents and samples or being present when inspecting goods).
  - b7 Authorizes the customs agent to use the services of another customs agent to carry out his function.
- b. It would be prudent to note that the authorizer can authorize the customs agent to carry out all the operations detailed above, on behalf of the authorizer, without the need to check mark each field individually.
- c. If the letter of authorization is issued to a lawyer or to a CPA, the letter of authorization clarifies the framework of actions permitted by these entities, under the provisions of the law.
- d. If the letter of authorization is issued to another person who is not a customs agent, a lawyer or a CPA, the authorizer must indicate whether the authorization was issued for the purpose of performing any action vis-à-vis customs, or a specific and defined action.
- e. Subsequently, the authorizer is required to declare that all the possible conditions are met to authorize "another person" (who is not a customs agent, a lawyer or a CPA) to carry out operations on behalf of the authorizer vis-à-vis customs. These conditions are detailed in section 1 / d of this document.



### **Part C – Monetary Refund:**

If the authorizer demands a refund from the customs authorities, he must indicate in the field that he agrees to the deposit of the amount to be received into the account of the empowered entity, as defined.

### **Part D and F – Signature of the Authorizer and Verification of the Signature:**

There are several options for signing the letter of authorization and verifying the signature, if necessary, as detailed below:

- a. **First option** – Transmitting the form to customs directly with a digital signature card of the authorizer. An authorizer who is in possession of approved means of digital signature, will fill out the computerized form, will sign with an approved digital signature issued in his name and will transmit it to customs by pressing the “Submitting a form to customs” button. No signature verification is required. This process does not require the attachment of any attachment document.
- b. **Second option** – Manually filling in the form by the authorizer and verification of the signature by the empowered entity who dispatches the form to customs with his own digital signature card. If the authorizer is not in possession of a means of digital signature, he must print the form and fill it out and sign it in the presence of the empowered entity (customs agent, lawyer or CPA, as the case may be), who will verify the signature and transmit the form to customs under his digital signature. For the purpose of verifying the signature by the empowered entity, the authorizer must present the following documents to the empowered entity:
  1. An identification card (an I. D. card, driver’s license, foreign passport, laissez passer certificate).
  2. If the authorizer signs the letter of authorization on behalf of a corporation, he must also present a letter of certification of the corporation authorizing him to sign on its behalf.
  3. Also, the form that is filled out manually by the authorizer, which includes his manual signature on the form, must be attached.

Photocopies of these documents will be attached by the empowered entity to the letter of authorization, which will be transmitted electronically by him to customs.

- c. **Third option** – Manually filling out the form by the authorizer and verification of the signature by an unauthorized entity, who transmits the form to customs with his own digital signature card. If the authorizer is not in possession of means of digital signature, the authorizer must print out and fill in the form and he may sign it in the presence of a verifying entity, a holder of a digital signature that is not the



empowered entity. A verifying entity can be a customs agent or an attorney, (even if they are not empowered by the letter of authorization), international forwarder or customs or VAT employee. The verifying entity will verify the signature, and will transmit the form to customs with his own digital signature. Also, in this case, for the purpose of verifying the signature, the authorizer will present the following to the verifying entity:

1. An identification card (an I. D. card, driver's license, foreign passport, laissez passer certificate)
2. If the authorizer signs the letter of authorization on behalf of a corporation, he must also present a letter of certification of the corporation authorizing him to sign on its behalf.
3. Also, the form that is filled out manually by the authorizer, which includes his manual signature on the form, must be attached.

Photocopies of these documents will be attached by the empowered entity to the letter of authorization, which will be transmitted electronically by him to customs.

d. **Fourth option** – Transmission of the letter of authorization to customs and verification of the signature by a customs employee. If the authorizer is not in possession of a digital signature, he can perform the verification of the signature through a customs employee. In this case, the authorizer must carry out the following operations:

1. Fill out the form.
2. Transmit it to customs **without** an electronic signature.
3. At the second stage, to appear at a nearby customs house in person and verify his signature on the letter of authorization, in the presence of a customs employee.
4. For the purpose of verifying the signature, the authorizer must present a certificate of identification to the customs employee and a letter from the corporation on whose behalf he seeks to sign (if this is the case), authorizing him to sign on behalf of the corporation. Photocopies of these documents will be attached by a customs employee to the letter of authorization.

#### **Part E. Signing by “Another Person” in the Presence of a Customs Employee:**

This section is required to be completed only if the letter of authorization is issued to “another person” as defined in **section 1 / d** of this document, and the authorizer does



not possess a means of digital signature. In such a case, the recipient of the letter of authorization (the empowered entity) is to confirm that the authorizer has signed it in his presence on a particular date and to appear before a customs employee at the nearest customs house in order to sign there in his presence. The empowered entity will present his own I. D. card, as well as that of the authorizer, to the customs employees and a photocopy of them will be scanned and attached to the letter of authorization by the customs employee.

### **Part G Confirmation of Accurate and Complete Typing of Data: -**

This section is designated for the entity that transmits the form to the system by means of a digital signature, whether it be the authorized entity (that received the letter of authorization) or the verifier, and is aimed at ensuring the accuracy of the data contained in the document as well as the reliability thereof.

**Important to note:** During the pilot program period, in order to facilitate the preparations by the community prior to the launch, a change was made to the power of attorney form, according to which a checkbox button will be added and next to it, the following caption appears: "The data that will be entered below is true data. I want these data to be saved when being transferred through a global gateway system to the production environment".

If **not check** marked, an indication that these are tests will be dispatched. If **check** marked, an indication that this is true data will be dispatched, and they will be saved even after completion of the pilot program and system operation. **The updated form will be active starting from December 16, 2014**, so that by the scheduled date for operating the system in July 2015, there is enough time to gear up (six months).

### **Customer Support and Service:**

If there is a problem filling out the forms, please contact the gov.il customer service, the Government information portal: By email - support@tehila.gov.il, telephone number for support: 1 800 -200 -560 extension 3.

**Note-** translation of the document that in the next link –

[https://www.fedex.com/content/dam/fedex/eu-europe/downloads/IL\\_HE\\_2021\\_9\\_master\\_pdf\\_NA\\_Authorization\\_Letter\\_marketing.pdf](https://www.fedex.com/content/dam/fedex/eu-europe/downloads/IL_HE_2021_9_master_pdf_NA_Authorization_Letter_marketing.pdf)