

Duty Clear Terms and Conditions

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Introduction

These Duty Clear Terms form part of the [PayPal User Agreement](#) and the other applicable documents on the [Legal Agreements page](#). These terms apply if you enable and use Duty Clear with your PayPal business account. If there is a conflict between these terms and the User Agreement, these terms apply for Duty Clear.

For current eligibility criteria and the supported shipments, carriers, integrations and checkout flows for Duty Clear, see PayPal's developer documentation and help pages for Duty Clear.

What Duty Clear does

Duty Clear is a service available to eligible sellers whereby PayPal will enable the calculation, collection and remittance of applicable import duties payable to the U.S. Customs and Border Protection (**CBP**) in connection with the goods sold by the sellers to buyers located in the United States (**Duty Clear**). We rely on a third-party service provider to facilitate the provision of Duty Clear (currently, iGlobal Exports LLC, trading as Zonos (**Zonos**)).

By enabling and using Duty Clear, you instruct PayPal to:

- obtain a landed cost quote that is confirmed at the point of checkout (**Duty Quote**) from our third-party provider based on transaction data you provide;
- collect the Duty Quote amount required to satisfy those duties required by the CBP, together with any applicable third-party service fees (together, **Duty Fees**); and
- remit Duty Fees, on your behalf, to the third-party provider for payment of the applicable Duty Quote to CBP.

You acknowledge that the Duty Fees include both the applicable US government duty or tariff and any third-party service fees charged in connection with Duty Clear. PayPal provides Duty Clear to you as the seller, not to the buyer.

Using Duty Clear

Duty Clear is only available for supported shipments, carriers, integrations and checkout flows, and only for shipments to the United States.

To use Duty Clear, you must keep your PayPal business account in good standing and give PayPal the product, origin, value, shipping and other information we reasonably need. You can do this through a supported integration or, where PayPal allows, by giving us default carrier, origin and catalogue information for us to use.

If you change your Duty Clear settings or default information, the change only applies to new orders.

Where Duty Clear is enabled, you may elect:

- to require the buyer to pay the Duty Fees at checkout; or
- to absorb the Duty Fees yourself.

If the buyer pays the Duty Fees:

- the total transaction amount processed by PayPal will include the purchase price of your goods plus the Duty Fees (**Total Amount**);
- PayPal's transaction fees will be calculated on the Total Amount processed; and
- the Duty Fees will be disbursed for remittance by our third-party provider.

If you elect to absorb the Duty Fees:

- the buyer will pay only the purchase price displayed at checkout for your goods;
- PayPal will deduct the Duty Fees from the purchase price processed for your goods; and
- PayPal's transaction fees will be calculated on the total purchase price processed from the buyer.

Where the buyer bears the Duty Fees, you are solely responsible for deciding how those amounts are presented in your checkout, and for ensuring that any displayed purchase price, total price, line item, disclosure and receipt accurately presents the total amount payable by the buyer, is not misleading, and complies with applicable law. You are responsible for informing the consumers that the Duty Fees will generally not be refundable once the goods are shipped.

You remain liable to PayPal for all applicable Duty Fees to the extent those Duty Fees have been remitted, or PayPal has become obligated to remit them, to our third-party provider or to CBP. This applies irrespective of any refund, reversal, chargeback, or claim or dispute decided in the buyer's favour relating to the underlying transaction. PayPal may debit your PayPal account, reserve, or settlement proceeds for the amount of any such Duty Fees.

You can stop using Duty Clear at any time by following the steps PayPal makes available to you. If you stop using Duty Clear, these terms continue to apply to any order already being processed through Duty Clear.

Tracking and eligible shipments

To use Duty Clear for a shipment, you must use an eligible carrier and give PayPal a valid tracking ID within 24 hours after shipment.

If you do not do this, Duty Clear will not apply to that shipment, the Duty Fees may be credited to your PayPal account and PayPal will not be responsible for any Duties for that shipment.

If the customs amount is higher than the Duty Quote

The Duty Quote included in the Duty Fees is fixed for 90 days from the date of the quote for eligible transactions processed through Duty Clear. If, within that 90-day period, the amount required by CBP is higher than the Duty Quote, PayPal will cover the difference unless the difference was caused by the following events (**Seller Fault**):

- inaccurate or incomplete information from you;
- missing shipping or customs information;
- items not included in the Duty Quote;
- commercially unreasonable values declared by you;

- transactions processed outside Duty Clear; or
- changes in duties, tariffs, taxes or related fees 90 days or more after the date of the Duty Quote.

If there is a Seller Fault event, you are responsible for any shortfall and dealing directly with any related customs process, delay, non-delivery, penalty, fee or charge. The original Duty Fees will not be refunded to you.

PayPal will not owe you any amount if the Duty Fees is more than the amount actually paid.

Refunds, reversals, claims and chargebacks

The User Agreement applies to refunds, reversals, claims, chargebacks, PayPal's Seller Protection program, Unauthorized Transactions and recovery. This section explains how the Duty Fees are treated under Duty Clear.

Before PayPal receives a valid tracking ID

Refunds

If you issue a full refund before PayPal receives a valid tracking ID for the shipment, PayPal will credit the full Duty Quote to your PayPal account. If the Duty Quote was shown separately to the buyer, PayPal will also refund the Duty Quote to the buyer as part of the refund.

If you issue a partial refund before PayPal receives a valid tracking ID, PayPal will recalculate the Duty Fees based on the remaining items. PayPal will credit the difference between the original Duty Fees and the recalculated Duty Fees to your PayPal account. If the Duty Fees were shown separately to the buyer, PayPal will refund that difference to the buyer as part of the refund.

Reversals, claims and chargebacks

If a claim, chargeback or reversal is filed before PayPal receives a valid tracking ID for the shipment, PayPal will credit the Duty Fees to your PayPal account.

If you subsequently ship any of the goods in respect of which the Duty Fees were calculated, you are responsible for ensuring that all applicable duties are paid on those goods. If you fail to do so, PayPal may recover the Duty Fees (or the relevant portion) from your PayPal account as a reversal under the User Agreement.

After PayPal receives a valid tracking ID

Once PayPal has received a valid tracking ID, the Duty Fees are not refundable by PayPal. This includes where you issue a refund after that point.

If a refund is accepted or a reversal, claim or chargeback is decided against you after that point, the Duty Fees will form part of any amount you owe PayPal under the User Agreement, except to the extent that:

(a) PayPal determines the transaction is covered by PayPal's Seller Protection program; or

(b) PayPal is liable for the loss under the User Agreement as an Unauthorised Transaction or other applicable security or fraud matter,

in which case the Duty Fees (or the protected portion of it) will not form part of the amount you owe.

Your responsibilities

You must:

- give PayPal accurate and complete product, origin, value, shipping and other customs information;
- use an eligible carrier and submit valid tracking within 24 hours after shipment;
- if the buyer bears the Duty Fees, clearly tell the buyer it will not be refundable once the goods are shipped. If PayPal gives you wording or tools for that disclosure, including in checkout or through a supported integration, you must use them as PayPal reasonably requires and must not change them in a misleading way;
- not make statements to buyers about customs clearance or duty refunds that conflict with these terms;
- keep records and supporting documents about the goods, their classification, value, origin, shipping and any customs communications for as long as applicable law requires, and give copies to PayPal if we reasonably ask for them in connection with Duty Clear, a buyer dispute, or a customs or regulatory inquiry;
- promptly tell PayPal if any product, origin, value, shipping or other customs information you gave us was inaccurate, incomplete or has changed, and give PayPal any correction or supporting document we reasonably ask for;
- comply with the customs, trade, tax and export laws that apply to your goods and sales.

PayPal is not the importer of record, customs broker, freight forwarder or declarant for your shipments. You must not identify, or allow any carrier, buyer or other person to identify, PayPal as the importer of record, consignee for customs purposes, customs broker, declarant or customs agent or representative for any shipment unless PayPal agrees in writing. You are responsible for making sure that your shipping and customs documents correctly identify the relevant importer of record and any customs representative for the shipment.

If PayPal incurs any shortfall, refund, penalty, fee, charge or other liability because you gave inaccurate or incomplete information, failed to provide required information, failed to disclose the Duty Fees as required, or otherwise did not follow these terms, you must reimburse PayPal under the User Agreement.

PayPal may suspend or remove your access to Duty Clear if you repeatedly do not meet these requirements.

If you stop using Duty Clear or we suspend or end your access to it, these terms will still apply to any Duty Clear transactions already processed and to any amounts you still owe us in relation to them.

Fees

Our existing fee treatment for refunds under our User Agreement continues to apply.

PayPal's transaction fees are calculated on the total amount originally processed (including any Duty Fees where the buyer paid them), and those fees are not refunded.

Nothing in this section limits any rights or remedies that buyers may have under applicable law that cannot be excluded.

Your Disclosure and Compliance Obligations

If you use Duty Clear, you must:

- clearly and prominently disclose to buyers, prior to payment, the existence and amount (or method of calculation) of any Duty Fees payable by the buyer;
- ensure that Duty Fees are accurately reflected in the checkout flow and transaction receipt (whether shown as a separate line item or incorporated into the purchase price);
- not misrepresent the nature of the Duty Fees (including any third-party service component); and
- comply with all applicable laws, including the Australian Consumer Law and any applicable overseas consumer protection, customs and price display laws.

You are solely responsible for ensuring that your checkout presentation, pricing disclosures and refund policies comply with applicable law.

Third-Party Provider

The Duty Service relies on services provided by Zonos or other third-party providers. To the extent permitted by law, you acknowledge and agree that:

- PayPal does not control the acts or omissions of those third parties and cannot guarantee uninterrupted availability;
- the accuracy of duty calculations and timeliness of remittance may depend on third-party systems and government authorities; and
- the availability of Duty Clear may be modified, suspended or discontinued where reasonably required due to changes in law, third-party arrangements or operational considerations.

Nothing in this section excludes, restricts or modifies any consumer guarantees or other rights that cannot be excluded under applicable law.

Limitation of Liability

To the extent permitted by law, PayPal:

- does not warrant that the Duty Clear will identify all applicable duties, tariffs or import charges;
- is not responsible for penalties, fines, seizure of goods, shipping delays or other consequences arising from incorrect classification, valuation or other information supplied by you; and
- is not liable for any indirect or consequential loss arising from your use of the Duty Clear.

Where liability cannot be excluded under applicable law, PayPal's liability is limited to the resupply of Duty Clear or the payment of the cost of having the Duty Clear resupplied, to the extent permitted by law.

Data

In connection with providing Duty Clear, PayPal and its service providers may use and share order, shipment and product data, including with carriers, customs authorities and other service providers involved in customs clearance, and may correct shipment or customs information where reasonably needed for accuracy or compliance. To the extent that PayPal or its service providers collect, share, or otherwise process any personal data in connection with providing Duty Clear, the PayPal Privacy Statement shall apply.

Other terms

PayPal may recover any Duty Fees or other amount you owe us for Duty Clear by deduction from transaction proceeds, your PayPal balance or other amounts we owe you, or otherwise by set-off under the User Agreement.

The User Agreement applies to liability, indemnification, set-off, security interest in your PayPal balance, changes to these terms, language of agreement, governing law and jurisdiction and all other matters not covered here. Nothing in these terms limits any rights you have under the User Agreement or under applicable law that cannot be excluded.