

## EY VAT News – Brexit indirect tax special edition

Welcome to our Brexit indirect tax special edition of *EY VAT News*, which provides a roundup of Brexit indirect tax developments running from 22 December 2020 up to 5 January 2021.

HMRC has published numerous updates during the period and in the interest of keeping you up to speed with those, we have captured them all in one place. Please use the contents list as a way of identifying the areas of interest to you.

If you would like to discuss any of the articles in more detail, please speak with your usual EY indirect tax contact or one of the people below. If you have any feedback or comments on *EY VAT News*, please contact [Ian Pountney](#).

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## Overview

### European Union (Future Relationship) Bill and the UK – EU Trade and Cooperation Agreement

On 30 December 2020, The European Union (Future Relationship) Bill (the Bill) was granted Royal Assent, giving effect to the [UK-EU Trade and Cooperation Agreement](#) (UK-EU TCA). Ambassadors from the 27 EU Member States had already unanimously approved the UK-EU TCA on 24 December, allowing the UK-EU TCA to take effect provisionally from the end of the Brexit transition period on 31 December 2020 at 23:00 GMT. The European Parliament will then vote on it in January.

The UK-EU TCA (assuming it is ratified) does not remove the need for businesses to make changes to their operations, but it does bring some certainty on many of the new trading rules that will apply after the end of the transition period, most notably tariffs.

There is no phase-in or grace period, so businesses will need to meet many of the new requirements imposed as a result of the UK leaving the EU's single market and customs union from 1 January 2021. These include new customs documentation and procedures, immigration changes and reduced services market access.

Businesses will also have to adapt to a changing environment through 2021 as the UK has announced a series of measures to stage the implementation on the customs requirements for products arriving from the EU, as well as phase-in periods for the UK's new regulatory regime around product safety and chemicals.

The EU has also announced that additional flexibilities for the documentary evidence necessary to qualify for rules of origin will be granted in the first year of the application of the UK-EU TCA. Exact details on this have yet to be confirmed.

Our [alert](#) issued on 28 December provides further headlines about what the EU-UK TCA means for businesses and actions businesses may wish to focus on now. Further, whilst services provisions are included in the agreement, access for service providers will be fragmented across EU member states and notable barriers will limit the scope of many services providers to trade between the EU and the UK. Our [FS alert](#), issued before seeing the full text of the agreement, provides further comments on this.

#### What does the agreement say about Tax?

In the UK-EU TCA, both the UK and EU commit to uphold global standards on tax transparency and fighting tax avoidance. Specifically, with respect to the exchange of information and rules on interest limitation, CFCs and hybrid mismatches, both sides commit not to reduce or weaken levels of protection below the standards provided for by the OECD at the end of the transition period.

In respect of country-by-country reporting (CbCR) by credit institutions and investment firms, other than small and non-interconnected investment firms, the agreement requires that the parties do not weaken or reduce the level of protection provided for in their legislation at the end of the transition period. Note this test differs from the first commitment outlined above, which is based on OECD standards.

Separately there are provisions in the agreement preserving the rights and obligations of the EU, its Member States and the UK under any tax convention.

The commitments made by the UK and EU in the agreement are supplemented by a stand-alone political declaration in relation to countering 'harmful tax regimes'.

The section of the agreement dealing with "Level playing field for open and fair competition and sustainable development", requires that where 'subsidies' in the form of tax measures are granted by the EU or UK, information should be published on an official website or a public database within a year. The agreement sets out the factors which should be considered in determining whether a tax measure falls within the definition of 'subsidy'. A measure will not be considered a subsidy unless certain 'economic actors' obtain a reduction in the tax liability that they otherwise would have borne, and those economic actors are treated more advantageously than others in a comparable position within the normal taxation regime.

In any event, a measure shall not be regarded as a specific subsidy if it is justified by principles inherent to the design of the general system. In the case of tax measures, examples of such inherent principles are the need to fight fraud or tax evasion, administrative manageability, the avoidance of double taxation, the principle of tax neutrality, the progressive nature of income tax and its redistributive purpose, or the need to respect taxpayers' ability to pay.

The agreement also contains non-regression clauses not to weaken or reduce, in a manner affecting trade or investment between the parties, its labour and social levels of protection, its environmental levels of protection or its climate level of protection below the levels that are in place at the end of the transition period, including by failing to effectively enforce its law and standards. There is a further commitment "to strive to increase" the levels of protection.

From a VAT perspective, the UK-EU TCA also includes a Protocol on mutual assistance to combat customs fraud as well as a Protocol allowing the parties to cooperate and exchange information on VAT matters, including for the purpose of combating VAT fraud. The Protocol will also allow for either Party to make a request of the other to recover unpaid customs duties, excise or VAT on its behalf.

### **More to come**

In addition to the agreement, a number of [political declarations](#) were published. Chief among these were declarations covering:

- Data adequacy: Among the largest issues to be resolved will be the data adequacy decision for which a temporary arrangement has been put in place to allow data to continue being transferred from the EU to the UK from 1 January. This will initially last for four months (extendable to six months) while the European Commission undertakes to make its adequacy decision.
- Financial services: Similarly, both sides have committed to setting out a "framework" for regulatory cooperation in financial services by March 2021 and will discuss the equivalence decisions which the EU has yet to make.

For further information, please contact [Andy Bradford](#)

## **Legislation**

### **Customs, VAT and Excise UK transition legislation**

The Government has laid a number of Statutory Instruments and other legislation to ensure the deal is implemented as agreed from a customs and VAT perspective from 1 January 2021. There is a dedicated page on gov.uk which seeks to pull together all of the legislation – [Customs, VAT and Excise UK transition legislation from 1 January 2021 – GOV.UK](#) ([www.gov.uk](http://www.gov.uk))

The [Border Operating Model](#) has also been updated to reflect the deal agreed with the EU.

### **Draft Notice to be made under the Customs (Records) (EU Exit) Regulations 2019**

This [Document](#) provides the text of the notice made under The Customs (Records) (EU Exit) Regulations 2019.

These [Regulations](#) provide a requirement for those involved in customs matters to retain relevant records, their form and period of retention. The Regulations enable current record-keeping requirements set out in EU law to be replicated in UK law following EU Exit.

### **Notices to be made under The Customs (Origin of Chargeable Goods: Trade Preference Scheme) (EU Exit) Regulations 2020**

This [Document](#) provides the text of the notices made under The Customs (Origin of Chargeable Goods: Trade Preference Scheme) (EU Exit) Regulations 2020.

These [Regulations](#) form part of legislation under the Taxation (Cross-border Trade) Act 2018 to ensure that the UK has a customs regime in place at the end of the Implementation Period following the withdrawal of the UK from the EU. The Regulations set out the rules for determining the country of origin of goods that enter the UK from certain eligible developing countries under a trade preference scheme.

## **Notices to be made under The Customs (Crown Dependencies Customs Union) (EU Exit) Regulations 2019**

This [Document](#) provides the text of the notices made under The Customs (Crown Dependencies Customs Union) (EU Exit) Regulations 2019.

These [Regulations](#) modify various customs rules to take account of the customs union arrangements between the UK and the Crown Dependencies (Isle of Man, Guernsey and Jersey), which took effect when the UK and the Crown Dependencies ceased to be part of the customs territory of the EU.

Please also refer to:

- [SI 2019/257 The Crown Dependencies Customs Union \(Isle of Man\) \(EU Exit\) order 2019](#)
- [SI 2019/256 The Crown Dependencies Customs Union \(Jersey\) \(EU Exit\) Order 2019](#)
- [SI 2019/254 The Crown Dependencies Customs Union \(Guernsey\) \(EU Exit\) Order 2019](#)

## **Notices to be made under The Customs (Northern Ireland) (EU Exit) Regulations 2020**

This [Document](#) provides the text of the notices made under the Customs (Northern Ireland) (EU Exit) Regulations 2020.

These [Regulations](#) make provision in relation to charges to customs duty introduced by provisions inserted into the Taxation (Cross-border) Trade Act 2018 (TCTA) by the Taxation (Post-transition Period) Act 2020 (TPTP Act). This additional provision will enable the charges to operate effectively from the end of the transition period following the withdrawal of the UK from the EU. They also include detailed provisions concerning the application of TCTA and other UK customs legislation in Great Britain GB) and Northern Ireland (NI), for example to take account of the EU customs legislation that will apply in NI, as well as other consequential changes.

## **Notices to be made under The Customs (Bulk Customs Declaration and Miscellaneous Amendments) (EU Exit) Regulations 2020**

This [Document](#) provides the text of the notices made under the Customs (Bulk Customs Declaration and Miscellaneous Amendments) (EU Exit) Regulations 2020.

This [Tax Information and Impact Note](#) provides further details regarding these [Regulations](#).

The measure introduces a number of targeted legislative changes that will allow customs procedures to continue to operate efficiently at the end of the Transition Period and to make it easier for businesses to access a duty deferment account. This includes:

- Changes to the guarantee requirements for duty deferment to make it easier for compliant and solvent importers to defer import duty
- An authorisation framework to allow parcel operators and other traders to continue to declare multiple consignments of low value parcels in a single customs declaration
- Making sure domestic regulations for recovering import debt and other liabilities for goods admitted temporarily to the UK maintain alignment with relevant conventions to which the UK is a signatory
- Extending customs rules for presentation of goods unloaded and reloaded from a vessel or aircraft so that they also apply to goods on board trains arriving from the EU, thereby removing liability to import duty and maintaining current operational practice

The amendments make sure that effective border controls continue after the Transition Period. The instrument maintains existing facilitations whilst also making them more accessible to help make sure importers can meet their customs obligations.

Parts of the instrument that relate to the bulking of consignments, guarantee requirements and some additional minor amendments came into effect on 1 October 2020, or 31 October 2020. The remaining provisions will be brought into force using appointed day regulations.



Please also refer to:

- [Draft notices to be made under The Customs \(Bulk Customs Declaration and Miscellaneous Amendments\) \(EU Exit\) Regulations 2020](#)
- [Collection – Customs, VAT and Excise UK Transition legislation from 1 January 2021](#)
- [Apply to import multiple low value parcels on one declaration from 1 January 2021](#) – This guidance explains how to use the bulk import reduced data set to declare one or more low value parcels in a single import declaration when you import goods to GB. This customs simplification allows you to declare one or more low value parcels into a single import declaration. It also requires a reduced data set compared to a standard full import declaration.
- [Guidance](#)

## **Notices to be made under The Control of the Movement of Goods Regulations 1984**

This [Document](#) provides the text of the notices made under The Control of the Movement of Goods Regulations 1984.

These [Regulations](#) re-enact, with modifications, the Control of Movement of Goods Regulations 1981 and lay down the procedure for the movement within the UK of:

- Imported goods which are to be cleared at an approved place other than at their port of importation or place of landing or be delivered to a free zone;
- Goods in transit through the United Kingdom;
- Goods for exportation which are made available for customs examination prior to their movement to the port or place of exportation at a place approved for such examination or at a place designated by a customs officer; and
- Goods between a free zone and a place approved by the Commissioners for the clearance out of charge of such goods; such a place and a free zone or between one free zone and another.

## **Notices to be made under The Cash Controls (Amendment) (EU Exit) Regulations 2019**

This [Document](#) provides the text of the notices made under the Cash Controls (Amendment) (EU Exit) Regulations 2019.

These [Regulations](#) amend retained EU law to ensure that it works to collect information from individuals who are carrying cash in excess of £10,000 into or out of the UK.

## **Notices to be made under The Customs (Declarations) (Amendment and Modification) (EU Exit) Regulations 2020**

This [Document](#) provides the text of the notices made under the Customs (Declarations) (Amendment and Modification) (EU Exit) Regulations 2020.

These [Regulations](#) make, inter alia, various amendments to Customs EU Exit statutory instruments and relaxes some of the customs export requirements in the Customs (Export) (EU Exit) Regulations 2019.

## **Draft Notices to be made under The Customs (Import Duty) (EU Exit) Regulations 2018**

This [Document](#) provides the text of the notices made under the Customs (Import Duty) (EU Exit) Regulations 2018.

These [Regulations](#) form part of legislation made under the TCTA to create a new standalone Customs regime following the UK's exit from the EU. This SI lays down the main provisions governing the importation of goods to the UK, which were set out in EU law.

## **Notices to be made under the Taxation (Cross-border Trade) Act 2018**

This [Document](#) provides the text of the notices made under the [Taxation \(Cross-border Trade\) Act 2018](#).

## **Draft Notices to be made under The Customs (Reliefs from a Liability to Import Duty) (EU Exit) Regulations 2020**

This [Document](#) provides the text of the notice made under The Customs (Reliefs from a Liability to Import Duty) (EU Exit) Regulations 2020.

These [Regulations](#) form part of legislation made under the Taxation (Cross-border Trade) Act 2018 to ensure that the UK has a customs regime in place at the end of the Implementation Period following the withdrawal of the UK from the EU. This legislation will be necessary to ensure the UK's Customs, VAT and Excise regimes function as intended.

The purpose of these Regulations is to allow goods to be imported with full or partial relief of duties in certain circumstances, which are set out in the instrument and its accompanying reference documents. It will broadly replicate the reliefs previously available in the UK under EU legislation and also introduce four new reliefs needed as a consequence of the UK leaving the EU:

- An extension of the relief for fuel in the tanks of road transport to include fuel in the tanks of rail locomotives. Diesel trains are used for emergencies in the Channel Tunnel if the power fails. This extension ensures that relief from import duty is available for fuel used in these trains.
- A full or partial relief on defective domestic goods (personal property) being re-imported to the UK after repair.
- A full or partial relief for goods sent to a Member State of the EU for repair or processing before the end of the Implementation Period but returning within 6 months of the end of the Implementation Period.
- A relief to allow travellers carrying commercial goods in accompanied baggage to use a single flat rate of import duty.

Provision has also been made:

- To permit retrospective applications for a relief after the date of importation, as a continuation of the current UK practice.
- The introduction of new penalties.
- Consequential amendments to the Customs (Import Duty) (EU Exit) Regulations 2018 (SI 2018/1248).
- Provisions that will allow a person established in the Isle of Man to benefit from certain reliefs from UK import duty on the same basis as persons established in the UK.
- Amendment to the Customs (Bulk Customs Declaration and Miscellaneous Amendments) (EU Exit) Regulations 2020 (SI 2020/967)

Please also refer to HMRC Guidance available [here](#).

## **Draft Notices to be made under The Customs (Managed Transition Procedure) (EU Exit) Regulations 2019**

This [Document](#) provides the text of the notice made under The Customs (Managed Transition Procedure) (EU Exit) Regulations 2019.

These [Regulations](#) provide HMRC with temporary powers to issue a public notice to relax the requirement to make a declaration by a certain time for certain traders importing or exporting certain goods from or to the EU. These are additional temporary changes to support trade immediately, and will not form part of the longer-term customs model.

## **Draft Notices under The Customs (Special Procedures and Outward Processing) (EU Exit) Regulations 2018**

This [Document](#) provides the text of the notices made under the Customs (Special Procedures and Outward Processing) (EU Exit) Regulations 2018.

These [Regulations](#) form part of legislation made under the TCTA to create a new standalone Customs regime following the UK's exit from the EU.

## **Draft Notices to be made under The Customs (Export) (EU Exit) Regulations 2019**

This [Document](#) provides the text of the notices made under the Customs (Export) (EU Exit) Regulations 2019.

These [Regulations](#) lay down the main provisions governing the export of goods from the UK.

### **Draft Notices to be made under The Customs and Excise (Miscellaneous Provisions and Amendments) (EU Exit) Regulations 2019**

This [Document](#) provides the text of the notices made under the Customs and Excise (Miscellaneous Provisions and Amendments) (EU Exit) Regulations 2019.

These [Regulations](#) form part of legislation to be made under the Taxation (Cross-border Trade) Act 2018 and the Customs and Excise Management Act 1979.

### **Draft Notice to be made under The Customs Tariff (Preferential Trade Arrangements) (EU Exit) Regulations 2020**

This [Document](#) provides the text of the notice made under the Customs Tariff (Preferential Trade Arrangements) (EU Exit) Regulations 2020.

These [Regulations](#) are made by the Treasury, in exercise of the powers conferred by sections 9(1), 11(1), (3) and (4), 17(6) and (7), 19(1) and (4), 31(6) and (7) and 32(7) and (8) of the Taxation (Cross-border Trade) Act 2018(a) ("the Act") and by the Secretary of State, in exercise of the powers conferred by sections 11(3), (4) and (6) and 32(8) of that Act.

Please also refer to:

- [Reference Documents for The Customs Tariff \(Preferential Trade Arrangements\) \(EU Exit\) Regulations 2020 part 1](#)
- [Reference Documents for The Customs Tariff \(Preferential Trade Arrangements\) \(EU Exit\) Regulations 2020 part 2](#)
- [Reference Documents for The Customs Tariff \(Preferential Trade Arrangements\) \(EU Exit\) Regulations 2020 part 3](#)

### **Notices to be made under The Customs Transit Procedures (EU Exit) Regulations 2018**

This [Document](#) provides the text of the notice made under The Customs Transit Procedures (EU Exit) Regulations 2018.

These [Regulations](#) form part of the legislation made under the Taxation (Cross-border Trade) Act 2018 to create a new standalone Customs regime following the UK's exit from the EU. This instrument is necessary to implement the UK's obligations and benefits as a contracting party to the Common Transit Convention (CTC), which currently remains subject to negotiations and accession processes, and the Transports Internationaux Routiers(TIR) Convention. It is currently a party to both, by virtue of its membership of the EU for the CTC, and these conventions facilitate international transit by suspending the duty and tax payable on goods through internationally-agreed rules and procedures, and they enable simple cross-border trade between the UK and other countries (for example the TIR Convention covers 74 countries, including all those in the EU, EFTA and the EEA), the instrument provides similar arrangements for transit in the UK and long-standing arrangements for North Atlantic Treaty Organisation (NATO) forces.

### **Notice made under The Value Added Tax (Northern Ireland) (EU Exit) Regulations 2020**

This [Document](#) provides the text of the notice made under The Value Added Tax (Northern Ireland) (EU Exit) Regulations 2020.

These [Regulations](#) make provision appropriate in consequence of, or otherwise in connection with, the withdrawal of the UK from the EU. Specifically, they relate to the Northern Ireland Protocol agreed between the EU and the UK as part of the Withdrawal Agreement and include provisions on:

- Liability for VAT on removals: exceptions
- Accounting for VAT on removals: taxable persons
- Accounting for VAT on removals: non-taxable persons
- Identification for the purposes of VAT in Northern Ireland
- Accounting for import VAT on low value importations

## **Notice made under The Value Added Tax Regulations 1995 as amended by The Value Added Tax (Miscellaneous Amendments, Northern Ireland Protocol and Savings and Transitional Provisions) (EU Exit) Regulations 2020**

This [Document](#) provides the text of the notice made under The Value Added Tax Regulations 1995 as amended by The Value Added Tax (Miscellaneous Amendments, Northern Ireland Protocol and Savings and Transitional Provisions) (EU Exit) Regulations 2020.

These [Regulations](#) make necessary amendments to secondary legislation relating to VAT, including the Value Added Tax Regulations 1995 (SI 1995/2518) (principal regulations) as a result of the Northern Ireland Protocol. The amendments re-enact, where appropriate, certain provisions of VAT law in connection with the movement of goods between the EU and Northern Ireland (NI) that were omitted by earlier EU exit legislation.

This instrument introduces Part XVIA into the principal regulations. This includes provision of a power allowing the Commissioners to make additional provision in relation to importation, exportation and removals in respect of NI in a notice. In addition to amendments to the principal regulations, the instrument makes amendments of a similar description to apply intra-EU movement of goods rules to goods in NI, and to ensure that the VAT charge between NI and GB works as required by the Protocol.

This instrument also includes amendments to the Value Added Tax (Input Tax) (Specified Supplies) Order 1999 (SI 1999/3121) to include amendments currently included in the Value Added Tax (Input Tax) (Specified Supplies) (EU Exit) (No. 2) Regulations 2019 (SI 2019/408). The latter instrument will be revoked.

## **Draft Notice to be made under the Customs (Transitional) (EU Exit) Regulations 2020**

This [Document](#) provides the text of the notice made under The Customs (Transitional) (EU Exit) Regulations 2020.

These [Regulations](#) form part of legislation made under the Taxation (Cross-border Trade) Act 2018 (TCTA) to ensure that the UK has a customs regime in place at the end of the transition period following the withdrawal of the UK from the EU.

The measures concern how and when TCTA is to apply to goods in Great Britain under the separation provisions of the Withdrawal Agreement of the UK from the EU (the Withdrawal Agreement). These measures relate to goods where a customs procedure had commenced, or a movement had begun, before the end of the transition period but is completed after that point. The Regulations also amend EU Exit instruments to take account of the Withdrawal Agreement.

## **Draft Notice to be made under the Customs Safety and Security Procedures (EU Exit) Regulations 2020**

This [Document](#) provides the text of the notice made under the Customs Safety and Security Procedures (EU Exit) Regulations 2020.

These [Regulations](#) form part of the legislation to ensure the UK has a contingency option in place in case of border disruption caused by safety and security requirements on exports following the withdrawal of the UK from the EU. It introduces powers to allow a temporary waiver of the requirement for pre-departure declarations, or temporary modification of the time limit for their

submission, by public notice.

## **VAT in Northern Ireland – Statutory instruments**

This [Policy Paper](#) covers 3 statutory instruments which make provision relating to VAT in order to implement the Northern Ireland Protocol and to make associated changes. These are the:

- **Value Added Tax (Miscellaneous Amendments to the Value Added Tax Act 1994 and Revocation) (EU Exit) Regulations 2020** – These [Regulations](#) make further amendments to primary legislation, specifically VATA94, required to implement the Protocol in relation to VAT. The majority of required changes to primary legislation are made by the Taxation (Post-transition Period) Act 2020.
- **Value Added Tax (Miscellaneous Amendments, Northern Ireland Protocol and Savings and Transitional Provisions) (EU Exit) Regulations 2020** – These [Regulations](#) primarily make amendments to secondary legislation that are necessary in consequence of provisions made in the Taxation (Post-transition Period) Act 2020 as a result of the

Protocol. This will, for example, reinstate rules omitted by earlier EU Exit legislation, modified as required, in relation to acquisitions of goods from the EU to Northern Ireland and other rules in relation to the movement of goods between Northern Ireland and the EU. It also makes provision, unconnected with the Protocol, relating to the appropriate input tax treatment applicable to the export of certain financial services. The statutory instrument also includes savings and transitional provisions that are required for the end of the transition period.

- **Value Added Tax (Northern Ireland) (EU Exit) Regulations 2020** – These [Regulations](#) introduce additional provisions in relation to the movement of goods between GB and Northern Ireland. This includes the introduction of any necessary exceptions required to the rules contained in new Schedule 9ZB to VATA94 (as introduced by the Taxation (Post-transition Period) Act 2020). It also includes providing for accounting and invoicing rules required for these movements. The changes introduced by this statutory instrument rely on flexibilities within EU legislation to keep things as close as possible to the current approach. This includes the application of an offset in certain circumstances, where VAT has already been paid on the goods.

## **SI 2020/1624 The Customs Miscellaneous Non-fiscal Provisions and Amendments etc. (EU Exit) Regulations 2020**

These [Regulations](#) make amendments and modifications in the following fields of legislation:

- Customs safety and security procedures, including entry summary declarations and the registration of businesses
- Application of the Customs and Excise Management Act 1979 and Finance Act 1994 to movements between Northern Ireland (NI) and Great Britain (GB) for non-duty purposes
- Statistical data collected on trade of goods between the UK and members of the EU to ensure the legislation enables HMRC to collect and process trade statistics to ensure they work properly, both in NI, where EU statistical rules will continue to apply, and in GB, where they will not

## **SI 2020/1619 The Travellers' Allowances and Miscellaneous Provisions (Northern Ireland) (EU Exit) Regulations 2020**

These [Regulations](#) make provisions for travellers bringing excise goods into Northern Ireland which are necessitated by the withdrawal of the UK from the EU and the provisions of the Northern Ireland Protocol to the Withdrawal Agreement.

## **HMRC Notices**

### **Women's sanitary products (VAT Notice 701/18) – VAT Abolished – Update**

This [Notice](#) explains which sanitary protection products can be supplied at the zero-rate of VAT. It has been updated due to the end of the transition period and cancels and replaces Notice 701/18 (March 2002).

A background section has been added at paragraph 1.3 which explains the previous tax treatment of these products and why the rate was reduced. Section 3 entitled 'calculating the VAT due on Women's sanitary products (WSPs)' is only relevant for supplies which occurred before the change in rate came in to force when WSPs were taxable at the reduced rate (5%).

*Comments: Although the UK was bound by the EU VAT Directive at the time, Parliament had approved the move to a zero-rate, once the UK had the discretion to do so, with a provision included in Finance Act 2016.*

Please also refer to:

- [Revenue and Customs Brief 1 \(2021\): introduction of the zero rate of VAT for women's sanitary products](#)
- [HM Treasury News Story](#)

### **Extra Statutory Concessions (VAT Notice 48)**

This [Notice](#) explains all of HM Revenue and Customs Extra Statutory Concessions in force at the time of publication. Section '2.6 VAT: supplies to diplomatic missions, international organisations, NATO forces etc. in other European Community countries' has been withdrawn from 1 January 2021.

## **Valuation of imported goods for customs purposes, VAT and trade statistics (Notice 252)**

This [Notice](#) explains the methods to calculate duty on imported goods for importers and their clearing agents. It has been updated due to the end of the transition period.

## **VAT relief for suppliers to visiting forces (VAT Notice 431) – Update**

This [Notice](#) explains how to make tax and duty-free supplies to NATO visiting forces, NATO International Military Headquarters and US military cemeteries in the UK. It has been updated due to the end of the transition period.

## **VAT guide (VAT Notice 700) – Update**

This [Notice](#) provides a guide to VAT rules and procedures and has been updated due to the end of the transition period.

## **Who should register for VAT (VAT Notice 700/1) – Update**

This [Notice](#) explains when you must register for VAT and how to do it. It has been updated due to the end of the transition period.

Please also refer to:

- [Register for VAT if supplying goods under certain directives](#)
- [Register for VAT if you make relevant acquisitions into Northern Ireland](#)
- [Register for VAT if you are distance selling into Northern Ireland](#)
- [Register for VAT](#)

## **Group and divisional registration (VAT Notice 700/2) – Update**

This [Notice](#) provides details regarding group and divisional VAT registration and the forms you should use to apply. It has been updated due to the end of the transition period.

Please also refer to:

- [Apply for VAT group treatment and give company details](#)
- [Apply for VAT group treatment](#)

## **Business promotions (VAT Notice 700/7) – Update**

This [Guidance](#) explains how to account for VAT on business gifts, samples and promotional schemes. It has been updated due to the end of the transition period.

## **Cancelling your VAT registration (VAT Notice 700/11) – Update**

This [Notice](#) explains when and how to cancel your VAT registration. It has been updated due to the end of the transition period.

## **How to fill in and submit your VAT Return (VAT Notice 700/12) – Update**

This [Notice](#) explains how to fill in your VAT Return, about using VAT accounting schemes and how to submit your return electronically. It has been updated due to the end of the transition period and cancels and replaces Notice 700/12 (August 2014). It includes details regarding changes to the completion of the boxes of the VAT return and includes, inter alia:

- Box 2 VAT due in the period on acquisitions of goods made in Northern Ireland from EU Member States
- Supplies of goods and related costs, excluding any VAT, from Northern Ireland to EU Member States made from 1 January 2021
- Acquisitions of goods and related costs, excluding any VAT, from EU Member States to Northern Ireland made from 1st January 2021

## **Record keeping (VAT Notice 700/21) – Update**

This [Notice](#) explains what records you must keep and how to keep them if you're registered for VAT . It has been updated due to the end of the transition period.

## **VAT Notice 700/22: Making Tax Digital for VAT – Update**

This [Notice](#) explains the rules for Making Tax Digital for VAT and about the digital information you must keep if they apply to you. It has been updated due to the end of the transition period.

## **Postage, delivery and direct marketing (VAT Notice 700/24)**

This [Notice](#) explains how to apply VAT to charges for postage, delivery services and how to treat direct marketing services involving distribution of printed matter. It has been updated due to the end of the transition period and cancels and replaces Notice 700/24 (June 2015). It applies to supplies made from 1 January 2021.

## **Supply of staff and staff bureaux (VAT Notice 700/34) – Update**

This [Notice](#) explains how to work out VAT on supplies of staff including supplies made by staff bureaux. It has been updated due to the end of the transition period and reflects changes to the VAT treatment of supplies of goods and services following the UK's departure from the European Union on 1 January 2021.

## **Agricultural Flat Rate Scheme (VAT Notice 700/46) – Update**

This [Notice](#) explains who can use, and how to apply to join the Agricultural Flat Rate Scheme. It has been updated due to the end of the transition period cancels and replaces Notice 700/46 (April 2011).

## **Self-billing (VAT Notice 700/62) – Update**

This [Notice](#) explains how customers and their suppliers must treat VAT if they're using self-billing arrangements. It has been updated due to the end of the transition period cancels and replaces Notice 700/62 (September 2014).

Please also refer to [VAT: self-billing arrangements](#).

## **Electronic invoicing (VAT Notice 700/63) – Update**

This [Notice](#) explains what you need to do if you're sending, receiving and storing VAT invoices in an electronic format. It has been updated due to the end of the transition period.

## **How VAT affects charities (VAT Notice 701/1) – Update**

This [Notice](#) explains what a charity is, how VAT affects charities, how to treat a charity's income for VAT and what VAT reliefs a charity can get on what it buys. It has been updated due to the end of the transition period.

Please also refer to

- [Charity fundraising events: exemptions](#)
- [VAT Refund Scheme for charities \(VAT Notice 1001\)](#)
- [Pay no import duties and VAT on goods for charity](#)

## **Clubs and associations' VAT responsibilities (VAT Notice 701/5) – Update**

This [Notice](#) explains the basic rules of VAT, how they apply to clubs and associations, and how to treat VAT on subscriptions and other payments. It has been updated due to the end of the transition period.

## **Charity funded equipment for medical and veterinary uses (VAT Notice 701/6) – Update**

This [Notice](#) explains when it is possible to get zero-rated supplies on medical and research goods and services that have been funded by charities. It has been updated due to the end of the transition period.



## **Reliefs from VAT for disabled and older people (VAT Notice 701/7) – Update**

This [Notice](#) explains which goods and services for disabled people and people aged 60 or over are subject to the zero or reduced rate of VAT. It has been updated due to the end of the transition period.

Please also refer to [Pay no Customs Duty or VAT on goods for disabled people](#).

## **Gold imports and exports (VAT Notice 701/21) and Investment gold coins (VAT Notice 701/21A) – Update**

This [Notice](#) explains how to apply VAT rules to supplies, imports and export of gold and investment gold. It has been updated due to the end of the transition period.

Please also refer to [Investment gold coins \(VAT Notice 701/21A\)](#).

## **Zero rate tools that manufacture goods for export (VAT Notice 701/22) – Update**

This [Notice](#) explains when to use the zero-rate of VAT when supplying machine tools that stay in the UK but are used to manufacture goods for export. It has been updated due to the end of the transition period and cancels and replaces Notice 701/22 (October 2017). It applies to supplies made after 1 January 2021.

## **Protective equipment (VAT Notice 701/23) – Update**

This [Notice](#) explains when protective equipment is zero-rated and children's car seats and travel systems are reduced-rated at 5% VAT. It has been updated due to the end of the transition period.

## **Insurance (VAT Notice 701/36) – Update**

This [Notice](#) explains the VAT liability of insurance transactions and insurance related services. It has been updated due to the end of the transition period and cancels and replaces Notice 701/36 (1 March 2019). It has been updated to reflect changes to the VAT treatment of supplies of goods and services following the UK's departure from the European Union.

## **Health professionals and pharmaceutical products (VAT Notice 701/57) – Update**

This [Notice](#) explains how to account for VAT on goods and services provided by registered health professionals, including doctors, dentists, nurses and pharmacists. It has been updated due to the end of the transition period and includes that the extension of the zero-rate under the conditions of [paragraph 3.2](#) to qualified prescribers practicing within countries in the EEA (including Switzerland) applied from 1 April 2020 and ended on 1 January 2021 following the UK's departure from the EU. A list of approved providers and countries that apply from 1 January 2021 will be published at a later date.

## **Import VAT relief for goods supplied onward to an EU country (VAT Notice 702/7) – Update**

This [Notice](#) explains how to claim Onward Supply Relief (OSR) if you import goods into Northern Ireland from Great Britain or outside the EU, and then forward them onto an EU country. It has been updated due to the end of the transition period.

## **Fiscal warehousing (VAT Notice 702/8) – Update**

This [Notice](#) explains how to account for VAT on goods entered into, supplied within and removed from fiscal warehouses. It has been updated due to the end of the transition period.

## **Tax warehousing (VAT Notice 702/10) – Update**

This [Notice](#) explains how to treat excise goods placed in a tax warehouse, supplied from a tax warehouse or removed from a tax warehouse for VAT purposes. It has been updated due to the end of the transition period and applies to supplies made from 1 January 2021.



## **Goods exported from the UK from 1 January 2021 (VAT Notice 703) – Update**

This [Notice](#) explains when you can apply zero-rated VAT to exported goods. It has been updated due to the end of the transition period and cancels and replaces Notice 703 (March 2014). This notice applies to supplies made on or after 1 January 2021.

It applies to supplies from Great Britain exported out of the UK and to supplies from Northern Ireland exported out of the UK to non-EU destinations. References to UK should be construed accordingly. Sales of goods between Northern Ireland and the EU are covered in [Notice 725 Single Market](#).

## **Freight containers for export from the UK (VAT Notice 703/1) – Update**

This [Notice](#) explains how to find out if you can zero rate VAT if you sell, lease or hire out a freight container for export from the UK. It has been updated due to the end of the transition period and cancels and replaces Notice 703/1 (February 2010). It applies to supplies made in Great Britain exported out of the UK and to supplies made in Northern Ireland exported out of the UK to non-EU destinations.

## **Sailaway boats supplied for export outside the UK (VAT Notice 703/2) – Update**

This [Notice](#) explains the procedures you will need to follow to zero-rate the supply of a sailaway boat. It has been updated due to the end of the transition period and cancels and replaces Notices 703/2 (December 2011). It applies to supplies made after 1 January 2021 and made in Great Britain exported out of the UK and to supplies made in Northern Ireland exported out of the UK to non-EU destinations. References to UK should be construed accordingly.

## **Claim VAT back on tax-free shopping in Northern Ireland (VAT Notice 704/1)**

This [Notice](#) explains how to get the VAT back on goods you buy in Northern Ireland from shops that offer tax-free shopping. It cancels and replaces Notice 704/1 (August 2016) and applies to supplies made on or after 1 January 2021 to visitors from outside both Northern Ireland and the EU (overseas visitors) who make purchases from retailers in Northern Ireland.

Please also refer to:

- [Retail Export Scheme \(Northern Ireland\)](#)
- [VAT: tax-free shopping – retailer's checklist \(VAT407 Notes\)](#)

The VAT Retail Export Scheme is no longer available in Great Britain (England, Scotland and Wales). For purchases made in Great Britain before 1 January 2021, you will still be able make a claim under the [VAT Retail Export Scheme](#) on departure from the UK and the EU in line with current rules, until 31 March 2021.

## **Motoring expenses (VAT Notice 700/64) – Update**

This [Notice](#) explains how to account for VAT on vehicles and fuel you use for your business. It has been updated due to the end of the transition period and cancels and replaces Notice 700/64 (July 2012).

## **Partial exemption (VAT Notice 706) – Update**

This [Notice](#) provides details regarding partial exemption and the methods and calculations to use to see how much input tax you can recover. It has been updated due to the end of the transition period. and cancels and replaces Notice 706 (June 2011). This notice applies to supplies from 1 January 2021.

## **Personal Export Scheme (VAT Notice 707) – Update**

This [Notice](#) explains how to check if you can use the Personal Export Scheme and the conditions that apply if you're a buyer or a seller of vehicles. It has been updated due to the end of the transition period cancels and replaces Notices 707 (January 2014). It applies to supplies made on or after 1 January 2021 to supplies made in Great Britain exported out of the UK and to supplies made in Northern Ireland exported out of the UK to non-EU destinations.

## **Buildings and construction (VAT Notice 708) – Update**

This [Guidance](#) explains how to work out the VAT on building work and materials if you're a contractor, subcontractor or developer. It has been updated due to the end of the transition period.

## **Catering, takeaway food (VAT Notice 709/1) – Update**

This [Notice](#) explains when you need to charge VAT and at what rate if you supply food and drink for the purposes of catering or as a takeaway. It has been updated due to the end of the transition period.

## **Travel agents (VAT Notice 709/6) and (VAT Notice 709/5) – Update**

This [Notice](#) explains how VAT affects travel agents and tour operators. It cancels and replaces Notice 709/6 (March 2002). It applies to supplies made in both Great Britain and Northern Ireland unless otherwise stated.

Please also refer to [Tour Operators Margin Scheme \(VAT Notice 709/5\)](#).

## **The Margin Scheme on second-hand cars and other vehicles (VAT Notice 718/1) – Update**

This [Notice](#) explains how the Margin Scheme works and when you can use it for sales of second-hand vehicles. It has been updated due to the end of the transition period and cancels and replaces Notice 718/1 (March 2011) and confirms that you cannot use the scheme, inter alia, for vehicles supplied from Great Britain to Northern Ireland.

## **The Margin and Global Accounting Scheme (VAT Notice 718) – Update**

This [Notice](#) explains how to account for VAT on the sale of goods using the Margin Scheme or the Global Accounting Scheme. It has been updated due to the end of the transition period and confirms that you cannot use the scheme, inter alia, for goods you buy from Great Britain and sell in Northern Ireland.

## **Refunds of UK VAT for non-UK businesses or EU VAT for UK businesses (Notice 723A)**

This [Notice](#) explains how to claim a refund of VAT in the UK if you are established outside the UK or how to claim back EU VAT if you are established in the UK or Isle of Man (Notice 723A).

This notice cancels and replaces Notice 723A (October 2012) and applies to supplies made on or after 1 January 2021, the day after the end of the Transition period.

Please also refer to:

- [Supplies made in Northern Ireland on or after 1 January 2021](#)
- [Refunds of VAT for businesses visiting the UK](#)
- [Get a certificate to verify the status of your overseas business](#)

## **VAT on movements of goods between Northern Ireland and the EU (VAT Notice 725)**

This [Notice](#) explains how to charge and account for VAT on the movement of goods between Northern Ireland and EU Member States. It cancels and replaces Notice 725 (March 2014) and applies to supplies of goods made on or after 1 January 2021. It includes:

- VAT in the EU
- Supplies to VAT registered customers
- Zero-rated supplies to VAT-registered customers in an EU member state
- Evidence of removal of goods
- Supplies to customers (including private individuals) who are not registered for VAT
- Northern Ireland acquisition of goods from an EU member state
- Tax value of acquisitions
- Transfers of own goods between Northern Ireland and EU member states
- Temporary movement of goods

- Installed or assembled goods
- Movements of goods for process, repair etc.
- Triangulation
- Supplies to privileged persons
- Other EU movements of goods
- Accounting and record keeping
- EC Sales Lists
- Intrastat

### **Joint and several liability for unpaid VAT (VAT Notice 726) – Update**

This [Notice](#) explains how you could be made liable for the unpaid VAT of another VAT-registered business when you buy or sell specified goods. It has been updated due to the end of the transition period.

### **Point of Sale VAT Retail Scheme (VAT Notice 727/3) – Update**

This [Notice](#) explains the general rules for the Point of Sale Retail Scheme, how the scheme works, records you must keep and how to work out your VAT. It has been updated due to the end of the transition period and cancels and replaces Notice 727/3 (June 2018). This notice applies to supplies made on or after 1 January 2021. It applies to supplies of: services made within and between Great Britain and Northern Ireland; and supplies of goods made within Great Britain and within Northern Ireland.

### **Apportionment VAT Retail Schemes (VAT Notice 727/4) – Update**

This [Notice](#) explains the general rules for the Apportionment Retail Schemes (1 and 2), how the scheme works, records you must keep and how to work out your VAT. It has been updated due to the end of the transition period and cancels and replaces Notice 727/4 (June 2018). This notice applies to supplies made on or after 1 January 2021. It applies to supplies of: services made within and between Great Britain and Northern Ireland; and supplies of goods made within Great Britain and within Northern Ireland.

### **Direct Calculation VAT Retail Schemes (VAT Notice 727/5) – Update**

This [Notice](#) explains the Direct Calculation VAT Retail Schemes 1 and 2, how they work and what records you must keep. It has been updated due to the end of the transition period and cancels and replaces Notice 727/5 (June 2018). This notice applies to supplies made on or after 1 January 2021. It applies to supplies of: services made within and between Great Britain and Northern Ireland; and supplies of goods made within Great Britain and within Northern Ireland.

### **Account for VAT on a new means of transport (VAT Notice 728) – Update**

This [Notice](#) explains how to account for VAT on new ships, aircraft and land vehicles you move between Northern Ireland and EU Member States. It has been updated due to the end of the transition period and cancels and replaces Notice 728 (April 2013). This notice applies to supplies made on or after 1 January 2021. It applies to supplies of New Means of Transport (NMT) made in Northern Ireland for removal to the EU and acquisitions into Northern Ireland from the EU.

### **Cash Accounting Scheme (VAT Notice 731) – Update**

This [Notice](#) explains how the VAT Cash Accounting Scheme works and the conditions you must meet if you want to use it. It has been updated due to the end of the transition period.

### **VAT Notice 733: Flat Rate Scheme for small businesses – Update**

This [Notice](#) explains how to use the Flat Rate Scheme, who can use it and how to apply to join the scheme. It has been updated due to the end of the transition period.

### **Domestic reverse charge procedure (VAT Notice 735) – Update**

This [Notice](#) explains the VAT domestic reverse charge procedure which applies to the buying and selling of certain goods and services. It has been updated due to the end of the transition period.

## **Place of supply of services (VAT Notice 741A) – Update**

This [Notice](#) explains how to determine the place of supply of your services and how to deal with supplies of services which you receive from outside the UK. It has been updated due to the end of the transition period and includes, inter alia: details of the VAT MOSS after the end of the transition period; impact of the Northern Ireland Protocol.

Please also refer to [Work out your place of supply of services for VAT rules](#).

## **Land and property (VAT Notice 742) – Update**

This [Notice](#) explains when transactions involving land and buildings are exempt from VAT. It has been updated due to the end of the transition period.

Please also refer to [Opting to tax land and buildings \(VAT Notice 742A\)](#).

## **The VAT treatment of passenger transport (VAT Notice 744A) – Update**

This [Notice](#) explains how to determine the 'place of supply' rules for passenger transport and the VAT zero rating of public passenger transport if you supply it in the UK. It has been updated due to the end of the transition period and cancels and replaces Notice 744A (December 2009). It applies to supplies made on or after 1 January 2021 made in both Great Britain and Northern Ireland unless otherwise stated.

## **Freight transport and associated services (VAT Notice 744B) – Update**

This [Notice](#) explains how to account for VAT on services when a vehicle, ship or aircraft is provided, together with a driver or crew for the transport of goods. It has been updated due to the end of the transition period and cancels and replaces VAT Notice 744B (December 2010). This notice applies to supplies made on or after 1 January 2021 in both Great Britain and Northern Ireland unless otherwise stated.

## **Ships, trains, aircraft and associated services (VAT Notice 744C) – Update**

This [Notice](#) explains the VAT liability for supplying ships, trains, aircraft and associated services in the UK. It has been updated due to the end of the transition period and cancels and replaces Notice 744C (January 2018) and applies to supplies made on or after 1 January 2021. This notice has been updated to reflect changes to the VAT treatment of supplies of goods and services following the UK's departure from the European Union.

## **Local authorities and similar bodies (VAT Notice 749) – Update**

This [Notice](#) explains how to determine which activities are business or non-business for VAT purposes if you're a local authority or other public body. It has been updated due to the end of the transition period and cancels and replaces Notice 749 (26 June 2018). It applies to supplies made from 1 January 2021.

## **VAT Refund Scheme for museums and galleries (VAT Notice 998) – Update**

This [Notice](#) explains which museums or galleries that offer free admission are eligible for refunds under the VAT Refund Scheme. It has been updated due to the end of the transition period and cancels and replaces Notice 998 (November 2017).

## **Notice 60: Intrastat general guide – Update**

This [Notice](#) provides a general guide to Intrastat for businesses trading in goods with member states of the EU. It has been updated to explain that from 1 January 2021, you will no longer need to submit a declaration for goods you export from Great Britain to the EU.

## HMRC guidance

### Rules of origin for goods moving between the UK and EU

This [Document](#) provides detailed guidance on the rules of origin requirements under the UK's deal with the EU (the Trade and Cooperation Agreement).

It explains the most important provisions which businesses need to understand and comply with, in order to ensure that they pay zero tariffs when trading with the EU. This applies to both businesses that wish to export goods to the EU at zero tariffs, as well as businesses who wish to import goods from EU at zero tariffs.

### Apply for an Advance Origin Ruling

This [Guidance](#) explains how to get a decision on the origin of your goods if you import into or export from Great Britain. If you need to get [proof of origin](#) because your goods meet the [rules of origin](#), an Advance Origin Ruling can offer a number of advantages:

- It is legally binding on the UK, so you will have legal protection against any UK customs authority challenging the country of origin of the product, provided the production arrangements remain unchanged in so far as they relate to the origin rules
- It can be helpful where an origin rule is difficult to interpret or where the circumstances of manufacture of a product make application of a rule difficult
- If a change in UK law makes an Advance Origin Ruling invalid, you may be able to continue using it for up to 6 months provided you can show that the goods are subject to a binding commercial contract

### Apply for a general guarantee account and pay disputed amounts

This [Guidance](#) explains how to use a general guarantee account to cover any import duty due on goods when they enter the UK. You may need to provide a guarantee to cover amounts due on goods imported to the UK if the value of import duties is disputed, unknown, or if you declare the goods to Temporary Admission (unless you have full authorisation for Temporary Admission).

The account can be used to cover: import VAT; customs duty; excise duties; amounts due under the UK Agricultural Policy; anti-dumping or countervailing duties; and quotas.

Please also refer to [Using your general guarantee account](#).

### Check if you can pay a reduced amount of customs duty – Update

This [Guidance](#) explains that if you are a UK-based business, you may be able to pay no customs duty or a reduced amount of duty for goods you bring or receive into the UK, depending on what they are and what you do with them. It has been updated due to the end of the transition period.

### Apply to pay less duty on goods you import for specific uses – Update

This [Guidance](#) explains how to check if you can apply for Authorised Use Relief to reduce your payments when you import goods for a specific use. This can include repairs, maintenance or processing. It has been updated due to the end of the transition period. From 1 January 2021, if you are applying for authorisation in Northern Ireland and Great Britain you will need to fill the form out separately for each authorisation. Also, you can only apply for a multi-state authorisation that covers sites in Northern Ireland and the EU if you are established in Northern Ireland. The application process for multi-state authorisations will be available from 1 January 2021.

Please also refer to:

- [Check if you can pay less duty if your goods are imported into authorised use.](#)
- [Declare your goods to authorised use and completing authorised use](#)

## Apply to import goods temporarily to the UK – Update

This [Guidance](#) explains how to apply for Temporary Admission to import goods into the UK and use them for up to two years or more, before re-exporting them. It has been updated due to the end of the transition period. From 1 January 2021, if you are applying for authorisation in Northern Ireland and Great Britain you will need to fill the form out separately for each authorisation. Also, you can only apply for a multi-state authorisation that covers sites in Northern Ireland and the EU if you are established in Northern Ireland. The application process for multi-state authorisations will be available from 1 January 2021.

Please also refer to [Import goods to the UK temporarily](#).

## How to report EU sales made on or before 31 December 2020 for VAT – Update

This [Guidance](#) explains how to report supplies of goods and services to VAT-registered customers in an EU country using an EC Sales List before 31 December 2020. It has been updated due to the end of the transition period. For the export of goods from Great Britain or the supply of services from Great Britain and Northern Ireland made to EU businesses on or after 1 January 2021, you will not need to submit EC Sales Lists.

You will have until 21 January 2021 to submit EC Sales Lists for sales made on or before 31 December 2020.

You'll still need to [submit EC Sales Lists if you sell goods from Northern Ireland to EU VAT-registered customers](#).

## Refunds of VAT paid in the UK on or before 31 December 2020 by EU businesses – Update

This [Guidance](#) explains how to reclaim VAT paid on goods and services bought in the UK on or before 31 December 2020. It has been updated due to the end of the transition period.

Please also refer to [Forms for claiming a VAT refund if your business is registered in a country outside the UK](#).

## Refunds of VAT for UK businesses buying in EU countries – Update

This [Guidance](#) explains how to reclaim VAT paid in an EU country if you are registered for VAT in the UK. It has been updated due to the end of the transition period. Please also refer to:

- [Claim refunds on VAT paid to EU countries](#)
- [Get confirmation from HMRC that you are trading in the UK](#)

## Claim VAT refunds in Northern Ireland or the EU, if you are established in Northern Ireland or in the EU

This [Guidance](#) explains how Northern Ireland and EU businesses can claim refunds of VAT incurred on goods in the EU and Northern Ireland using the EU VAT refund system.

## Exports, sending goods abroad and charging VAT – Update

This [Guidance](#) explains if VAT is due when you sell, send or transfer goods from Great Britain to outside the EU or from Northern Ireland outside the UK and EU. It has been updated due to the end of the transition period and includes:

- Goods dispatched by post
- Dispatch by courier
- Collection by customer
- VAT on exports
- Goods you export temporarily or send on sale or return
- Goods from Northern Ireland processed in the EU before they are exported
- Speeding up and simplifying the export process
- Getting a customs identification number
- Proof of export
- Exports to the Channel Islands

- Exports via EU countries from Northern Ireland
- Exports in passengers' baggage
- VAT accounting and record keeping for exports

## **Paying VAT on imports from outside the UK to Great Britain and from outside the EU to Northern Ireland – Update**

This [Guidance](#) explains that if you import goods into Great Britain from outside the UK or from outside the EU to Northern Ireland you may have to pay import VAT on goods. For supplies of services from outside the UK you must account for VAT under the reverse charge procedure. It has been updated due to the end of the transition period.

## **Check how to pay duties and VAT on imports – Update**

This [Guidance](#) explains that if you are a business importing goods from outside the UK, you can pay Customs Duty, excise duties and VAT in a number of ways. It has been updated due to the end of the transition period.

## **Paying VAT on goods from the EU to Northern Ireland**

This [Guidance](#) explains that if you receive goods into Northern Ireland from the EU you may have to pay acquisition VAT.

## **Apply to become a registered exporter if you are established in Northern Ireland**

This [Guidance](#) explains how to apply to HMRC to become a registered exporter on the Registered Exporter (REX) system.

## **Trading and moving goods in and out of Northern Ireland – Update**

This [Guidance](#) explains how to prepare if you trade and move goods in and out of Northern Ireland and has been updated with information about moving commercial goods in your baggage.

## **Dispatches of goods from Northern Ireland to the EU, and charging VAT**

This [Guidance](#) explains whether VAT is due when you sell, supply or transfer goods from Northern Ireland to the EU. It includes:

- Sales to someone who is VAT-registered in an EU country
- Call-off stock
- Consignment stock
- How to report zero-rated EU sales
- Sales in an EU country to someone who is not VAT-registered
- When you must register for VAT in EU countries
- Transferring your own goods to an EU country
- Excise goods
- How to report EU sales where you have charged VAT
- Temporary movements of goods to an EU country
- Installing or assembling goods in an EU country
- Sending goods to an EU country for repair or processing

## **Claim a waiver for duty on goods that you bring to Northern Ireland from Great Britain – Update**

This [Guidance](#) explains how to claim a waiver if you are bringing goods into Northern Ireland from Great Britain which might otherwise incur 'at risk' tariffs. Information has been updated about how often you'll need to fill in the Customs Duty waivers form after you've made your first claim.



## **Check if you can declare goods you bring into Northern Ireland not 'at risk' of moving to the EU from 1 January 2021 – Update**

This [Guidance](#) explains how to find out if goods you bring into Northern Ireland are not 'at risk' of moving to the EU such that EU tariff will not be due on those goods. Information has been updated about how to check that goods brought into Northern Ireland from Great Britain are not 'at risk', when your goods are not 'at risk' due to the applicable tariffs and what supporting evidence you'll need to declare your goods not 'at risk'.

## **Customs Declaration Completion Requirements for The Northern Ireland Protocol – Update**

This [Guidance](#) has been updated with information about when and how Customs Duty waivers (subsidies) can be claimed via a customs declaration when EU duty rates are charged against 'at-risk' goods for Great Britain to Northern Ireland only.

## **Apply for Approved Economic Operator (AEO) status – Update**

This [Guidance](#) explains how to apply for Approved Economic Operator (AEO) status. It has been updated due to the end of the transition period.

AEO) is a status that allows you to import and export fish and fish-based goods without being required to submit every catch certificate.

## **Apply for Authorised Economic Operator status – Update**

This [Guidance](#) explains what information you will need for your application to apply for Authorised Economic Operator status. It has been updated to report that you can now apply for using the online service. Information about how to apply has been added.

Please also refer to [Information you need to apply for Authorised Economic Operator status](#).

## **Apply to use Simplified Import VAT Accounting – Update**

This [Guidance](#) explains how to apply for Simplified Import VAT Accounting to lower the financial guarantees you give for the duty deferment scheme. It has been updated due to the end of the transition period.

## **Use the New Computerised Transit System – Update**

This [Guidance](#) explains how to access and use the New Computerised Transit System (NCTS) to submit electronic Union Transit (UT) declarations. It has been updated with information about using NCTS from 1 January 2021.

## **Check if you are established in the UK for customs – Update**

A person or business needs to be established in the UK to meet a number of customs rules. This includes being able to get a wide range of customs authorisations and simplifications.

This [Guidance](#) explains how to find out whether you are established in the UK for customs purposes. It has been updated due to the end of the transition period.

## **Apply to operate a customs warehouse – Update**

This [Guidance](#) explains what you need to do and how to apply to operate a customs warehouse when importing to the UK. It has been updated due to the end of the transition period. From 1 January 2021, if you are applying for authorisation in Northern Ireland and Great Britain you'll need to fill the form out separately for each.

Please also refer to [How to use a customs warehouse](#).

## **Using an origin declaration for the UK Generalised Scheme of Preference**

This [Guidance](#) explains how to make an origin declaration if you are using it as proof of origin for products using the UK Generalised Scheme of Preference.



Please also refer to [Completing Generalised Scheme of Preferences Form A](#).

## **Refunds and waivers on customs debt by HMRC – Update**

This [Guidance](#) provides details regarding repayment and remission of customs duties by HMRC and how to apply. It has been updated due to the end of the transition period.

## **Making a full export declaration – Update**

This [Guidance](#) explains what you need to do when making a full declaration to send goods from the UK. It has been updated due to the end of the transition period and details that if goods are leaving from [RoRo ports](#) or [other listed locations](#), you need to submit your export declaration as [arrived](#) before your goods start their journey. The goods should not be moved to the border location until Permission to Progress is received or you are asked to do so. If you are exporting excise duty suspended goods (such as alcohol or tobacco products), you need to confirm manually to HMRC that the goods have left the UK by completing a [C1601 form](#) unless the border location does this for you.

Please also refer to:

- [Making a full import declaration](#)
- [Making an import declaration in your records](#)

## **Making a simplified frontier declaration – Update**

This [Guidance](#) explains how to use the simplified declaration procedure when importing goods into the UK. From 1 January 2021, If using from [RoRo ports](#) or [other listed locations](#), you'll need to make a simplified declaration before your goods arrive.

You'll also need to arrive your simplified declaration manually in CHIEF by 11:59pm on the day after the day on which the goods arrived.

Please also refer to [Making an import supplementary declaration](#).

## **Making a declaration using a pre-shipment advice – Update**

This [Guidance](#) explains how to use the simplified declaration procedure when exporting goods from the UK. It has been updated due to the end of the transition period.

## **Clearing goods entering, leaving or transiting the UK – Update**

This [Guidance](#) explains how to clear goods by the National Clearance Hub when moving goods into, out of, or through the UK. It has been updated due to the end of the transition period.

## **Apply to delay or pay less duty on goods you import/export to process or repair – Update**

This [Guidance](#) how to use inward processing to delay or reduce import duties or VAT on goods that you process or repair. It has been updated due to the end of the transition period and explains, inter alia, that If you are applying for authorisation in Great Britain and Northern Ireland you will need to fill the form out separately for each authorisation.

Please also refer to

- [Apply to pay less duty on goods you export to process or repair](#)
- [Using outward processing to process or repair your goods](#)
- [Using inward processing to process or repair your goods](#)
- [Pay less or no duty on goods you store, repair, process or temporarily use](#)
- [Moving processed or repaired goods into free circulation or re-exporting them](#)

## **Check if you can use transit to move goods to the EU and common transit countries – Update**

This [Guidance](#) explains how to use the common and Union transit when exporting or taking goods out of the UK to move them quickly and delay duty until they reach their destination. It has been updated due to the end of the transition period.

## **Change your details or cancel your registration for Fulfilment House Due Diligence Scheme (FHDDS) – Update**

This [Guidance](#) explains how and when to tell HMRC about changes to your registered details or cancel your registration for the Fulfilment House Due Diligence Scheme. It has been updated due to the end of the transition period.

Please also refer to [Apply for the Fulfilment House Due Diligence Scheme](#).

## **Check when online marketplaces must carry out VAT checks on overseas sellers – Update**

This [Guidance](#) explains what VAT checks you must carry out on overseas sellers as an online marketplace operator, and what HMRC will do if its requirements are not met. It has been updated due to the end of the transition period with details of when online marketplaces must check that an overseas seller is VAT registered from 1 January 2021.

Please also refer to [Carry out checks and keep records if you're approved for FHDDS](#).

## **Businesses selling goods in the UK using online marketplaces – Update**

This [Guidance](#) explains your VAT obligations if you use an online marketplace to sell goods in the UK. It has been updated with further information on seller VAT obligations from 1 January 2021.

## **VAT rules for supplies of digital services to consumers – Update**

This [Guidance](#) explains the VAT place of supply rules if your business sells digital services to private consumers. It has been updated due to the end of the transition period and includes:

- How to determine the place of supply and taxation
- The place of supply of digital services
- VAT accounting options for UK businesses supplying digital services to consumers in the EU
- Defining digital services
- Services not affected by these rules
- Definition of 'electronically supplied'
- Bundled or multiple supplies
- How to determine whether a customer is a business (taxable person) or is a private consumer
- How to determine the location of your consumer
- Businesses using payment service providers
- Place of supply of educational services
- Digital portals, platforms, gateways and marketplaces

## **Domestic reverse charge for telecommunications services – Update**

This [Guidance](#) explains how VAT invoices are affected by the reverse charge if you are a wholesale electronic communications supplier in the UK. It has been updated due to the end of the transition period.

## **VAT rates on different goods and services – Update**

This [Guidance](#) provides a list of goods and services showing which rates of VAT apply and which items are exempt or outside the scope of VAT. It has been updated due to the end of the transition period.

## **How to spot missing trader VAT fraud – Update**

This [Guidance](#) explains how to spot VAT missing trader fraud and how to protect yourself or your business from organised criminals. It has been updated due to the end of the transition period.

## **Pay no import duty or VAT on visual and auditory goods – Update**

This [Guidance](#) explains how to claim a relief on Customs Duty or VAT when importing visual and auditory goods from outside the UK. It has been updated due to the end of the transition period.

### **Pay less Customs Duty and VAT if you are importing capital goods – Update**

This [Guidance](#) explains how to claim a relief to pay less Customs Duty and VAT if you are moving your business to the UK and carrying on a similar activity. It has been updated due to the end of the transition period.

Please also refer to [Transfer a business as a going concern \(VAT Notice 700/9\)](#).

For further information regarding Brexit please contact [Andy Bradford](#) (VAT) or [Charlotte Prescott](#) (Global Trade).

### **Customs Declaration Completion Requirements for Great Britain and Customs Declaration Completion Requirements for The Northern Ireland Protocol**

This [Guidance](#) supplements the CHIEF and CDS trade tariffs when making declarations. It should be read in conjunction with the current versions of the UK Trade Tariff: Volume 3 for CHIEF and CDS.

It provides high level information on the customs requirements and includes the specific changes and declaration completion requirements where they differ to the current published Tariff instructions.

Businesses should ensure that the instructions specific to the declaration system being used are read.

Please also refer to [Customs Declaration Completion Requirements for The Northern Ireland Protocol](#) – how to read the UK Trade Tariff: Volume 3 (Imports, Exports) for CDS for goods declared under the Northern Ireland Protocol.

### **Claim a waiver for duty on goods that you bring to Northern Ireland from Great Britain**

This [Guidance](#) explains how to claim a waiver if you are bringing goods into Northern Ireland from Great Britain which might otherwise incur 'at risk' tariffs.

### **Check when you can account for import VAT on your VAT Return from 1 January 2021 – Update**

This [Guidance](#) explains when you can, or need to, account for import VAT on your VAT Return (also called postponed VAT accounting) from 1 January 2021. It has been updated with information about accounting for VAT if you do not know the full customs value of goods and using someone to import goods on your behalf.

### **Report goods exported to the EU using inward or outward processing – Update**

This [Guidance](#) explains how to check if you should submit information sheets if you are a UK trader using customs special procedures for inward or outward processing. It has been updated with guidance about when to submit an information sheet if you are exporting or importing to an EU country using inward or outward processing.

### **Check if you need to make an entry summary declaration from 1 January 2021 – Update**

This [Guidance](#) explains how to check if you need to make an entry summary declaration if you are moving goods into Great Britain or Northern Ireland. It has been updated with a link to more information about ongoing customs movements and procedures at the end of the transition period.

### **Reference documents for The Customs (Reliefs from a Liability to Import Duty and Miscellaneous Amendments) (EU Exit) Regulations 2020 – Update**

The reliefs document sets out the various conditions in which a 'good' may be eligible for a relief from the standard tariff rate. This [Guidance](#) provides additional content to make sure that goods sent to Northern Ireland (NI) from Great Britain (GB) for processing under the Union Customs Code will be covered by reliefs on their return, and to make sure that returned goods relief does not cover goods that exit NI and re-enter GB.

It has been updated with the addition of version 1.1 dated 17 December 2020.

Please also refer to:

- [The Customs \(Reliefs from a Liability to Import Duty and Miscellaneous Amendments\) \(EU Exit\) Regulations 2020](#)
- [Customs, VAT and Excise UK transition legislation from 1 January 2021](#)

For further information regarding Brexit please contact [Andy Bradford](#) (VAT) or [Charlotte Prescott](#) (Global Trade).

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### About EY

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