



Department for
Business, Energy
& Industrial Strategy

Be Brexit Ready: Importing & Exporting

Presentation materials

14th March 2019



Department for
Business, Energy
& Industrial Strategy

We are here to share information to help you prepare for Exit

Who we are

We are from the Department for Business, Energy and Industrial Strategy and HMRC

Our objective is to help businesses across sectors prepare for EU Exit

We are attending events across the UK and working with TAs

Our aims for today



Provide an overview of key changes expected in 'No Deal'



Share sources to find more detailed information



Respond to your questions and gather your feedback

Businesses
need to
prepare for
every
eventuality

Delivering the deal negotiated with the EU is the Government's top priority

However, as a responsible Government, it is preparing for every eventuality

Preparing for 'No Deal' is now an operational priority for the Government

Businesses should make sure they prepare and take action on their own 'No Deal' plans



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VAT Update

Overview

- If the UK leaves the EU without a deal, the government's aim will be to keep VAT processes as close as possible to now
- However, there will be some changes that will affect businesses
- We have taken steps to mitigate the impact of changes where we can
- We want to help businesses understand what they need to do, and help them to do it, so they can continue trading smoothly



What's changing?

❖ In a no deal scenario, postponed accounting will be introduced for imports from the EU and Rest of World

on their customs declaration

- An online monthly statement will show the VAT that's been postponed. This will provide the evidence to declare/ recover import VAT on your VAT return
- Postponed accounting won't be available for postal goods of £135 or less
- Postponed accounting won't be available for non-VAT registered businesses



What's changing?

❖ For parcels sent by overseas businesses, Low Value Consignment Relief will be abolished, and an online service will collect VAT from businesses for parcels up to £135

service and rules around VAT

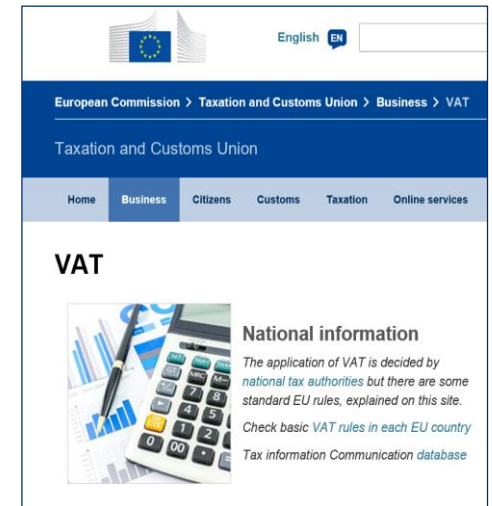
- The [parcels service is now available](#) for non-UK businesses to register online



What's changing?

❖ We expect EU member states will apply Rest of World rules to the UK for exports and other EU VAT processes

- The UK would stop having access to certain EU VAT IT systems – but a new UK VAT registration number checker will be available
- For tour operators that use the EU 'TOMS' scheme, our aim is to keep rules as close as possible to now



We are laying secondary legislation as part of preparations for no deal

Statutory Instrument	Date Laid
The Value Added Tax (Disclosure of Information Relating to VAT Registration) (EU Exit) Regulations 2018 (SI 2018/1228)	27 November 2018
The Value Added Tax (Postal Packets and Amendment) (EU Exit) Regulations 2018 (SI 2018/1376) - Parcels	18 December 2018
The Value Added Tax (Finance) (EU Exit) Order 2019 (SI 2019/43)	17 January 2019
The Value Added Tax (Tour Operators) (Amendment) (EU-Exit) Regulations 2019 (SI 2019/73)	22 January 2019
The Value Added Tax (Miscellaneous Amendments and Revocations) (EU Exit) Regulations 2019 (SI 2019/59) – Miscellaneous Amendments	22 January 2019
The Value Added Tax (Accounting Procedures for Import VAT for VAT Registered Persons and Amendment) (EU Exit) Regulations 2019 (SI 2019/60) – Postponed accounting	22 January 2019
Taxation (Cross-border Trade) Act 2018 (Value Added Tax Transitional Provisions) (EU Exit) Regulations 2019 (SI 2019/105)	Made 24 January 2019
Value Added Tax and Excise Personal Reliefs (Special Visitors and Goods Permanently Imported) (Amendment) (EU Exit) Regulations 2019 (SI 2019/91)	24 January 2019
The Value Added Tax (Input Tax) (Specified Supplies) (EU Exit) Regulations 2019 (SI2019/175)	5 February 2019



For action

- If you currently use Mini One Stop Shop or the EU VAT refund system please prepare your businesses by reading the [guidance on IT systems on GOV.UK](#)
- Review VAT rules in member states where you do business. The European Commission has [recently published guidance](#).
- If you have suppliers based overseas who will be sending goods to you, [alert them to the guidance on Low Value goods](#).
- Familiarise yourselves with the statutory instruments which you can read on GOV.UK or Legislation.gov.uk
- If you want to understand how postponed accounting will operate, please sign up for alerts to guidance updates on GOV.UK





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Thank you

If you have any questions, please email

euexit.stakeholders@hmrc.gsi.gov.uk



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Excise Update

Background

- Currently, businesses can transport excise goods (except some oils), across borders within the EU and in the UK in duty suspense
- Businesses don't need to pay excise duty until goods are released for sale in the home market at their final destination
- Duty suspended movements are tracked using the pan-EU Excise Movement and Control System (EMCS)
- Duty paid movements are controlled by manual documentation (Simplified Accompanying Administrative Document – SAAD)
- Businesses can reclaim excise duty on goods not consumed in the UK (Excise Drawback system)



What's changing – no deal scenario - imports

Rest of World rules will apply to imports of excise goods from the EU

What this means

UK businesses will need to make an **import declaration** and:

- account for the excise duty at the border; or
- enter to the goods to the excise warehousing regime via EMCS (Excise Movement Control System)
- UK businesses can use Customs procedures for EU goods, e.g. Customs Warehousing, Transit etc. This will increase the volumes of goods at risk under customs control
- Businesses can continue to use EMCS to move goods in duty suspense in the UK from the port to a registered warehouse
- The Registered Excise Dealers and Shippers system (REDs) will be obsolete and shut down



What's changing - no deal scenario - exports

Rest of World rules will apply to exports of excise goods to the EU

What this means

- Businesses will need to make an **export declaration** at the point of exit from the UK
- Businesses can continue to use EMCS to move goods under duty suspension in the UK from a registered warehouse to the port/airport of departure
- EMCS will be restricted to movements within the UK
- Businesses will be able to claim **Excise Duty Drawback** on goods not consumed in UK (will include exports to the EU)
- Businesses will need to make an import declaration on entry of the goods into the EU



What's changing - no deal scenario – excise systems

- Changes to EMCS
 - Switch off EMCS messaging to EU
 - Restrict movements to EU
- Impact on excise customers who don't currently import or export to Rest of World
 - Businesses will need an EORI number
 - Importers will need access to a Registered Consignor



What's changing - no deal scenario - legislation

- 3 Excise Statutory Instruments laid on 15 January
 - The Excise Goods (Holding, Movement and Duty Point) (Amendment) (EU Exit) Regulations 2019
 - The Excise Duties (Miscellaneous Amendments) (EU Exit) Regulations 2019
 - The Excise Duties (Miscellaneous Amendments) (EU Exit) (No 2) Regulations: 2019
- Further excise secondary legislation planned for March



Guidance and support

- Existing EU Exit guidance
 - Customs and Excise Technical Notice (issued August 2019)
 - EMCS Software specification (issued September 2019)
- Changes to excise forms (February/March)
- Guidance
 - Changes to excise public notices
 - GOV.UK content
- Engagement with excise businesses
 - Day one readiness
 - Separation Issues
 - Secondary legislation
 - Long term policy opportunities



For action

- Businesses and software developers need to make the necessary changes to excise IT systems – EMCS
- Businesses need to get access to a Registered Consignor if they need one to enter goods onto EMCS
- Businesses need to complete day one customs arrangements – obtain EORI number for customs declarations from HMRC, get access to an agent
- Businesses need to familiarise themselves with the changes to excise processes – legislation, public notices, guidance and forms





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Thank you

Any questions?

Send further questions on these and other issues to sed@beis.gov.uk

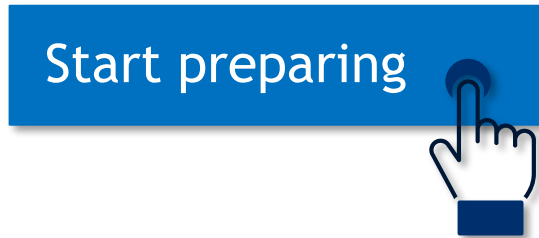
Please visit euexit.campaign.gov.uk for more information

Agenda for today

1	Welcome and Introductions	Lora Bedford, BEIS	2 mins
2	Customs	Lee Crane, HMRC	15 mins
3	VAT	Warren Gordon, HMRC	15 mins
4	Excise	Mike Gilmore, HMRC	15 mins
5	Q&A	All panellists	10 mins
6	Wrap up and Close	Lora Bedford, BEIS	2 mins

You can find more information on GOV.UK

Answer seven questions to be directed to relevant content



'No Deal' sector specific first steps

List of relevant publications

Choose one of the nine themes you are most interested in

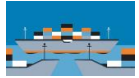


'No Deal' theme specific first steps

List of relevant publications

Sign up to email alerts about EU Exit on GOV.UK: [Brexit email alerts](#)

Annex 1: 'No Deal' theme specific primers



Importing, exporting and transporting



Operating in the EU



Regulation and standards for products and goods



European and domestic funding



Energy and climate



Using personal data



Employing EU citizens



Public sector procurement



Intellectual property

Annex 2: 'No Deal' sector specific primers



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