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& Customs

HMRC

Movement of Goods

6 January 2021

Customs Update

For movements between GB and the EU, border controls from the end of transition period have been introduced in stages - starting with some controls from 1 January 2021 and moving to full controls for all goods from 1 July 2021.

This means, from 1 January:

- Most traders will be able to defer submitting information and payment of customs duties to HMRC for up to 6 months from the date of the import.
- Traders importing controlled goods (such as excise goods) will be expected to follow standard customs requirements.
- The requirement for safety and security declarations on import - Entry summary Declarations (ENS) - will be waived for 6 months.
- The UK has joined the Common Transit Convention in its own right and will be subject to the requirements of the Convention.
- Postponed VAT accounting has been introduced, which is mandatory if businesses are using the staged customs declarations and optional if they have chosen to submit full declarations

Import Declarations from January 2021 to July 2021



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- Traders bringing goods from the EU to GB will need to declare their goods to customs. Goods must be declared in advance of crossing if moving through a listed RoRo port or a location without existing systems.
- To facilitate readiness, traders moving **non-controlled** goods to GB can declare their goods by making an entry into their own records. There is a requirement for Businesses to keep records of their imports and submit this information, via a supplementary declaration within 6 months of import and pay the required duty via an approved duty deferment account.
- Traders moving controlled goods (e.g. excise goods) will need to make a frontier declaration. This declaration can be full or simplified (depending on the trader's authorisation), or traders can use transit.
- If the controlled goods are coming via a location without systems that would allow the trader to notify HMRC that goods have been imported, the trader must manually arrive the declaration in HMRC systems (including entry to the Excise Movement and Control System for excise duty suspended goods) by the end of the working day following the physical crossing.
- However, we will not be:
 - requiring traders to submit safety and security information for imports
 - requiring carriers to submit entry summary declarations for Safety & security

Further details on Importing can be found on [How to import goods from the EU into GB from January 2021.pdf](#) and <https://www.gov.uk/import-goods-into-uk>

Export Requirements from January 2021 to July 2021



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- Traders exporting goods from GB into the EU will need to submit export declarations for all goods.
- Traders will be required to submit safety and security information either via a combined export declaration, or a standalone Exit Summary Declaration.
- If goods are moving via a location with no existing control systems, an arrived export declaration will need to be submitted. If a physical check is required, the goods will be directed to a site for a check. Once all checks have been completed, or if permission to progress (P2P) has been issued straight away the goods can then be moved to the port.
- If goods are moving through a location with existing inventory systems, the declaration should be submitted as pre-lodged and follow the standard export procedure.
- For excise goods or goods moving under duty suspense only, if moving the goods through a location that does not have systems to automatically communicate to HMRC that the goods have left the country, the trader must provide proof to HMRC after the goods have exited the country.

Further details on Exporting can be found [How_to_export_goods_from_GB_into_the_EU_from_January_2021.pdf](#) and <https://www.gov.uk/export-goods>

Full Controls From July 2021

- Traders will have to make full customs declarations (or use Simplified procedures if they are authorised to do so) at the point of importation on all goods and pay relevant tariffs.
- Full Safety and Security declarations will be required.
- Border locations can either use the temporary storage model, or the newly developed pre-lodgement model (developed as an alternative where border locations may not have the space and infrastructure to operate temporary storage).
- The Temporary Storage model allows goods to be stored for up to 90 days at an HMRC approved temporary storage facility, before a declaration is made and Government officials carry out any checks before goods are released from the facility.
- The Pre-lodgement model ensures that all declarations are pre-lodged before they board on the EU side, this will maintain flow.
- HMRC will introduce a new IT system called the Goods Vehicle Movement Service (GVMS) to support the Pre-lodgement model for both imports and exports and to facilitate Transit movements.

Further details on customs can be found on <https://www.gov.uk/topic/business-tax/import-export>

ATA Carnets

- Allows non-perishable goods to be temporarily moved between countries without the payment of customs charges and can be used by private travellers and businesses in over 80 countries and territories around the world.
- By replacing customs documents that would normally be required it can help simplify the customs clearance processes in importing and exporting countries, overcome language barriers and unfamiliar customs forms as well as providing a financial security for customs charges potentially due on the goods.
- ATA Carnets can be used for goods such as commercial samples (e.g. prototypes & display equipment), professional equipment (e.g. photography equipment) and goods for presentation at exhibitions.
- ATA carnets are valid for up to 12 months from the date of issue and can be used multiple times, and in multiple countries during the period of validity.
- Those who hold a Carnet will still be required to obtain necessary export licenses or permits.
- The holder must adhere to certain requirements, ensuring that the Carnet is presented for endorsement each time the goods enter or leave a customs territory and presented on request from customs officials.
- Following the end of the transition period, the existing ATA Carnet process with convention countries outside the EU applies to relevant imports and exports with the EU, providing one of the options available to both businesses and individuals when temporarily moving goods between the UK and EU countries

Further details, including how to apply, can be found at <https://www.gov.uk/guidance/apply-for-an-ata-carnet> and <https://www.gov.uk/government/publications/notice-104-ata-and-cpd-carnets/notice-104-ata-and-cpd-carnets>

Customs Special Procedures

- Customs Special Procedures allow businesses to benefit from full or partial relief on the payment of customs duties and VAT under specified conditions. Included within Special Procedures is Temporary Admission.
- Temporary Admission is a customs procedure that allows you to import non-UK goods temporarily in to the UK and, provided you remove the goods from the UK at a later date, any import duty or import VAT is suspended.
- This can be useful if temporarily importing goods such as professional equipment, samples or items for exhibition, demonstration in to the UK.
- Goods can be imported under Temporary Admission for up to 24 months. This can be extended in exceptional circumstances. Some goods imported under Temporary Admission have set time limits to be discharged.
- The procedure may only be used when the holder is established outside of the UK, although there are some exceptions, for example, medical, surgical or laboratory equipment.
- From 1 January 2021, Temporary Admission can be used for goods entering the UK from EU countries (as well as for Rest of World imports), provided the relevant conditions are met.

Further details on Customs Special Procedures can be found at <https://www.gov.uk/guidance/apply-to-import-goods-temporarily-to-the-uk-or-eu> and <https://www.gov.uk/guidance/pay-less-or-no-duty-on-goods-you-store-process-repair-or-temporarily-use>

Returned Goods Relief

- Traders returning goods are able to claim Returned Goods Relief (RGR) from customs import duty for goods that are exported from the UK and re-imported within three years of export, subject to certain conditions similar to those set out in existing guidance.
- VAT relief will also apply, providing that any VAT due has previously been paid in the UK. The goods being exported from the UK in the first place must be in free circulation
- From the end of the Transition Period, RGR will be available for goods returning to the UK, provided that RGR conditions are met. The rules will continue to apply to a range of goods including pleasure crafts.
- Additionally, for VAT RGR to apply, the exporter and importer must be the same person and any VAT due must have been previously paid in the UK.
- For goods that have left the UK/EU prior to the end of the TP and return to the UK, RGR can apply subject to the goods returning to the UK within three years of leaving providing that EU VAT has been paid.

Returned Goods Relief

- For goods that left UK before 31 December 2020 and are located in EU, they have an additional grace period of a year until 31 December 2021 to re-import them into the UK under Returned Goods Relief if they meet all other conditions for this relief
- It is reasonable to expect that evidence of VAT paid status will be retained. If goods are in free circulation in the UK at the end of the TP, they will be treated as domestic goods.
- RGR rules will also allow alternative evidence of goods exported to be presented. HMRC will not expect businesses and individuals to go to unreasonable lengths to establish the actual date of export from the UK.
- Businesses would normally apply for RGR in the same way as they do now

Latest guidance is available online via the link - <https://www.gov.uk/guidance/pay-less-import-duty-and-vat-when-re-importing-goods-to-the-uk-and-eu>