

## Summary of key points for UK exporters (excluding sales through online marketplaces)

For a UK business which is:	Key points/actions are likely to include the following:
<p><b>Exporting goods to EU businesses in consignments in excess of €150 in value</b></p>	<p>Consider the impact of new requirements on costing, contracting and profitability – specifically, whether contract term changes are required in the light of:</p> <ul style="list-style-type: none"> <li>• new duty rates (EU)</li> <li>• changed duty rates (non-EU)</li> <li>• liability to import VAT in the destination country.</li> </ul> <p>Check the business has been allocated a UK EORI number (this should have been done automatically but can be applied for if not).</p> <p>Where the business has not exported to third countries before, check that the business is equipped to deal with the relevant export formalities or has engaged a customs intermediary and can provide evidence of export for VAT purposes within the relevant timescales.</p> <p>If dealing with export formalities itself, the business will need to register for the national export scheme (<a href="https://www.gov.uk/guidance/export-declarations-and-the-national-export-system-export-procedures">https://www.gov.uk/guidance/export-declarations-and-the-national-export-system-export-procedures</a>) and decide whether it is using the full customs declaration process or the goods are eligible for the simplified procedure and this is to be used instead.</p> <p>There is a government tool which is intended to support businesses but does not yet cover all countries: <a href="https://www.gov.uk/check-duties-customs-exporting">https://www.gov.uk/check-duties-customs-exporting</a></p> <p>There is currently no deferral of full customs or VAT requirements so businesses need to be ready to comply from 1 January 2021 onwards.</p> <p>This will include changes to VAT reporting in the UK for exports to the EU as the goods transfers will no longer fall within provisions for removals within the EU and become third country exports.</p> <p>The loss of VAT triangulation provisions for some businesses may mean reconsidering supply chains, or additional registration and recovery requirements.</p> <p>The scope for recovery of VAT in the destination country will need to be addressed and businesses may need to register and appoint a representative for VAT purposes, unless the burden is to be borne by the importer. This is more realistic for B2B supplies.</p> <p>If the UK business, rather than the receiving EU business, is dealing with import formalities in the destination country, consider whether to obtain support with local customs and VAT requirements, including registering for VAT, and assessing whether the contracting arrangements are consistent with the conditions for recovery of any VAT incurred.</p>
<p><b>Exporting goods to EU consumers which have a consignment value of more than €150</b></p>	<p>The import VAT and duty issues will have to be addressed in the same way as for business sales. The benefit of the distance selling rules will not be available.</p> <p>Local requirements will need to be considered and duties compliance and VAT registration addressed. Pricing will need to reflect import VAT and duties (or these will need contractually to be the responsibility of the customer).</p>
<p><b>Exporting goods to EU consumers of a value of €150 or less</b></p>	<p>From 1 January 2021 to 30 June 2021</p> <ul style="list-style-type: none"> <li>• Parcels with a value of €22 or less can continue to be delivered to consumers within the EU VAT-free.</li> <li>• Other parcels involving supplies to businesses will have to be treated in the same way as for goods with a value in excess of €150.</li> </ul> <p>From 1 July 2021</p> <ul style="list-style-type: none"> <li>• Subject to the point below, UK entities can benefit from third country regimes available under the new e-commerce regime, potentially including the Import One Stop Shop. Some details and local adoption of available regimes are still to be clarified.</li> <li>• Special arrangements will apply to supplies through electronic marketplaces.</li> </ul>