

BREXIT HUB

CUSTOMS DECLARATIONS FOR IMPORTS ENTERING GREAT BRITAIN

Introduction

The transition period between the UK and the EU will end on 31 December 2020. This means that the UK will no longer be a member of the EU's Single Market nor the Common Customs Union. These changes will result in a series of significant, and depending on the timing, abrupt changes to how rural businesses operate. The rules regarding the customs declarations for goods entering Great Britain will change.

This briefing note, and others on different subjects that can be found on the CLA Brexit Hub - <https://www.cla.org.uk/brexit> - provides rural business owners with a detailed framework for the steps which will need to be taken and where you can find more information relating to customs declarations for imports entering Great Britain after transition and has been independently compiled by CLA experts. It covers:

- Goods requiring an import declaration;
- Free circulation of goods.

Of course, the decision about what actions to take will be unique to every businesses' needs. This guidance is not intended to make a judgement on the specific activities you should be undertaking, or about the longer-term effects of the UK's exit from the EU.

What imported goods will require a customs declaration?

A business will need to follow the normal rules for making an import declaration if either:

- The goods are controlled (the full list of controlled goods can be found at <https://www.gov.uk/guidance/list-of-goods-imported-into-great-britain-from-the-eu-that-are-controlled>)
- HMRC has told you to, because you have a poor compliance record

If goods that are imported are in EU free circulation into Great Britain (England, Scotland and Wales) between 1 January and 30 June 2021 and the goods are not controlled, the importer can:

- declare these goods by entering them in their own records without needing authorisation in advance;
- delay sending HMRC the full information about your goods by up to 6 months on a supplementary declaration.

The business must also:

- account for the import VAT on the business VAT return (if the business is not VAT registered it must pay at the time of the supplementary declaration);
- have authorisation to use simplified declarations before it can make a supplementary declaration (or use someone dealing with customs for the business who has an authorisation);
- submit monthly intrastat supplementary declarations for arrivals from the EU as required.



Given the complexities of the customs system and the likelihood that these will increase, businesses are strongly advised to hire an independent customs agent who will deal with and make the necessary declarations on the business' behalf. This needs to include entering the goods in the business' records and making the supplementary declaration.

If the business or customs agent are already authorised to use simplified declarations at the time the entry was made in the records the submission of the supplementary declaration to HMRC can still be delayed.

What is “free circulation”?

Free circulation is where goods from the EU are not subject to other import regulations and where the goods have been declared and the customs duties paid. This can be one of the following:

- directly from import;
- from a customs special procedure (for example customs warehousing);
- from a temporary storage facility;
- using transit if the movement of the goods started in the EU.

The transitional simplified procedures will be withdrawn on 1 January 2021.

From 1 January 2021 to 30 June 2021 a business can import controlled and non-controlled goods from the EU without making a safety and security declaration.

However, it is important that all customs procedures set out by HMRC are followed correctly.