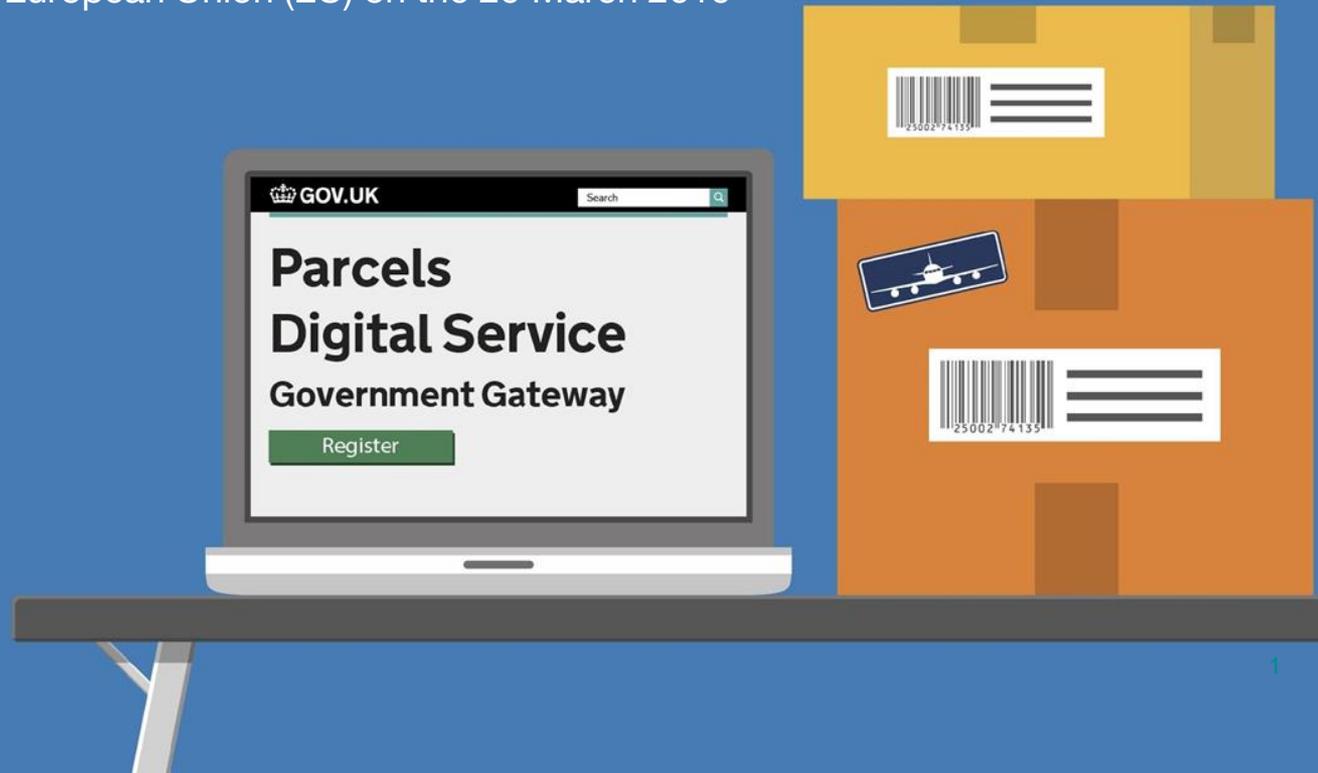




Parcels Communications Toolkit

Introducing the changes to UK import VAT rules on parcels sent to UK buyers if the UK leaves the European Union (EU) on the 29 March 2019 without a deal.





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**UK LEAVES
THE EU** 29.03.19

Purpose of this toolkit

This toolkit provides an overview of the changes to UK import Value Added Tax (VAT) rules that will affect sellers outside the United Kingdom (UK) if the UK leaves the EU on the 29 March 2019 without a deal. This includes sellers from the European Union (EU), outside of the EU and the Channel Islands.

UK HM Revenue and Customs (HMRC) needs to tell sellers outside the UK about the changes and would like your support to continue to raise awareness.

To help achieve this, the toolkit includes:

- communication resources you can share with your members, clients or customers to help them get ready for the change.
- suggested ways you may want to do this.





What is changing for parcels?

From 29 March 2019, if the UK leaves the EU without a deal, the UK import VAT rules will change for goods sold to UK buyers that are sent in parcels.

The rules differ depending on the value of the goods in the parcel. Further information about how to work out the value of a parcel can be found on GOV.UK.

When the value for all goods in the parcel is £135 or less, sellers outside the UK must pay the UK import VAT for any parcels sent to UK buyers after 11pm GMT on 29 March. This applies even if the goods were sold before then. Sellers outside the UK include those in the EU, outside the EU, and the Channel Islands.

This will include any goods worth £15 or less as they will no longer be eligible for the existing tax relief. The UK government has taken this decision to protect UK retailers from being undercut by VAT-free goods entering the market. This also follows the global approach that is being taken on Low Value Consignment Relief (LVCR).

When the value for all goods in the parcel is more than £135, UK buyers will need to pay the UK import VAT, Customs and / or Excise duty on these goods. The parcel operator will apply any necessary charges to the parcel and seek the payment direct from the UK buyer.

For excise goods - import VAT, Customs and Excise duty is due regardless of value, and will be collected directly from the UK buyer by the parcel operator.

If sellers outside the UK sell goods above and below the £135 threshold to UK buyers, the seller should only report and pay the UK import VAT on parcels containing goods worth £135 or less.





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How will UK import VAT on goods worth more than £135 be collected?

UK buyers will need to pay the UK import VAT, customs or excise duty for parcels worth more than £135. You can find more information on VAT rates on [GOV.UK](https://www.gov.uk). The parcel operator may apply any necessary charges to the parcel and seek the payment directly from the UK buyer.

This is the same way we collect UK import VAT on goods worth more than £135 sent to UK buyers from sellers outside the EU.

Further guidance for parcel operators on how to collect UK import VAT on these parcels will be provided shortly.





How can sellers pay UK import VAT on goods worth £135 or less sent in parcels?

Sellers outside the UK can either:

- register for HMRC's [new online service](#) to report and pay the UK import VAT due; or
- pay a parcel operator that offers a service to pay UK import VAT to HMRC on the seller's behalf

The online service is now available for sellers outside the UK to register so they are ready to use it if the changes are introduced on 29 March 2019.

If sellers do not follow the new rules for UK import VAT, parcels or consignments could be delayed or stopped from entering the UK. The UK buyer may have additional tax and fees to pay and the seller may have to pay a penalty of £1,000.

If sellers send goods to the UK to be stored before they are sold to UK buyers, they will still need to comply with existing customs controls and VAT rules. These are detailed in [VAT Notice 700/1: who should register for VAT](#).





How do sellers outside the UK use the new service?

More information can be found on [GOV.UK](https://www.gov.uk). The communications resources provided in this toolkit will help to direct sellers to this information.

Sellers can register for the online service on [GOV.UK](https://www.gov.uk) now so they are ready to use it if the changes are introduced on the 29 March 2019.

It is very easy for sellers to use the online service. All they need to do is:

1. Register for the service.
2. Choose an accounting period from those available.
3. Keep records of goods worth £135 or less that they have sold to the UK for each accounting period.
4. Work out the UK import VAT due on the goods they have sold to the UK for each accounting period.
5. Tell HMRC how much UK import VAT they owe for each accounting period.
6. Pay HMRC the total UK import VAT due for each accounting period.





What communications resources are available?

Communication resources to raise awareness of the potential changes have been provided. These resources could be sent as direct communications to sellers outside the UK or shared with your clients / business units based outside of the UK that could then send them to sellers.

Information about the resources and suggestions on how they might be used is included below:

Resource	Description	Suggestions for how it can be used	Format
Social media assets	Suggested text and visual assets to notify sellers outside the UK of potential changes and the new service	<ul style="list-style-type: none"> Proactively shared with clients / buyers by email or published via your own social media channels for the attention of sellers outside the UK 	PDF, JPG
Article	Short news story style article providing details of the changes	<ul style="list-style-type: none"> Included in your organisation’s magazine or newsletter Proactively shared with clients / buyers by email Published on your website for the attention of sellers outside the UK 	PDF
Q&A	Suggested questions that sellers outside the UK may ask about the changes or the online service and answers to these questions	<ul style="list-style-type: none"> To respond to queries In discussions with clients / buyers Added to the FAQ or other appropriate place on your website. 	PDF
Key Messages	Approved lines to explain the potential changes and registering for the online service	<ul style="list-style-type: none"> Shared with your organisation to support queries from sellers outside the UK Used in your own communications to inform your customers of these changes. 	PDF



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Where can I get more information?



Visit [gov.uk/hmrc/import-vat-parcels](https://www.gov.uk/hmrc/import-vat-parcels) for more information about the new service.



Look for updates on [social media](#) and via trade press.



Invite HMRC to attend or present at any key meetings, forums or events you're hosting or attending.

