

---

## BREXIT UPDATE: IMPORTER AND EXPORTER CHANGES

With effect from 1 January 2021 the UK is a third country and all cross-border movements of goods are now imports and exports. The rules for importing and exporting certain types of controlled products has also changed.

All businesses will need an EORI number starting with "GB".

Customs declarations now need to be made although there is a 6-month soft landing period where duty can be deferred.

Non UK Established businesses will need to appoint a Customs agent in the UK to act on their behalf.

For imports, payment of VAT will move from the border to the VAT returns under the postponed accounting scheme. This means import VAT is no longer declared and paid up front at the point of entry of the goods into the UK. Instead, import VAT is accounted for on UK VAT returns which may give rise to a significant cash flow benefit.

There may be changes needed to current EU VAT registrations due to the loss of current EU reliefs such as Triangulation, distance selling rules etc. Businesses importing into Europe will need an EU EORI number. One EU number will cover all EU imports. Fiscal representatives are likely to be needed in most of the EU countries.

New rules are in place for overseas sellers of goods into the UK, including online marketplaces facilitating the sale of goods in the UK. The current low value import relief will be abolished and there are new rules for consignments of less than £135. The Retail Export Scheme has also ended.

EU MOSS for Business to Consumer (B2C) supplies of digital services will no longer be available. Businesses will need to consider the alternative options.

We recommend that now is the time for businesses to review their supply chains and business models and take urgent advice/speak to their customs agents/freight forwarders where appropriate.

If you would like to discuss this matter further, please contact Mercer & Hole's VAT Director, Jane Stacey.

---

This Mercer & Hole Insight is a short selection of items extracted from complex legislation. Further specific advice on any matters referred to must be taken at all times. The information is given for general guidance only and publication is without responsibility for loss occasioned to any person acting or refraining from acting as a result of the information given. No part of this publication may be reproduced without the prior permission of Mercer & Hole.

---

**London**

020 7236 2601

[london@mercerhole.co.uk](mailto:london@mercerhole.co.uk)

**St Albans**

01727 869141

[stalbans@mercerhole.co.uk](mailto:stalbans@mercerhole.co.uk)

**Rickmansworth**

01923 771010

[rickmansworth@mercerhole.co.uk](mailto:rickmansworth@mercerhole.co.uk)

**Milton Keynes**

01908 605552

[miltonkeynes@mercerhole.co.uk](mailto:miltonkeynes@mercerhole.co.uk)

---