



Taxation (Cross-border Trade) Act 2018

2018 CHAPTER 22

PART 1

IMPORT DUTY

Amount of import duty: supplementary

16 Value of chargeable goods

- (1) This section makes provision for determining the value of chargeable goods for the purposes of this Part.
- (2) The general rule is that the value of the goods is the transaction value of the goods when sold for export to the United Kingdom.
- (3) For this purpose “the transaction value” means the total amount of the consideration—
 - (a) payable for the goods, or
 - (b) payable in connection with the importation of the goods into the United Kingdom,subject to the inclusion or exclusion of matters specified in regulations made by the Treasury.
- (4) The regulations may make provision for treating a matter to be of a specified amount or value.
- (5) Regulations made by the Treasury may make provision for the value of goods for the purposes of this Part to be a value other than the transaction value.
- (6) The following are examples of the kind of provision that may be made by the regulations—
 - (a) provision dealing with transactions between persons who are related to, or connected with, each other in a specified way, and
 - (b) provision dealing with cases where a transaction value cannot, or cannot readily, be determined.

17 Place of origin of chargeable goods

- (1) This section makes provision for determining the place of origin of chargeable goods for the purposes of this Part.
- (2) Goods are to be regarded as originating from a country or territory if they are wholly obtained in the country or territory.
- (3) If goods are obtained in two or more countries or territories, the goods are to be regarded as originating from the last country or territory in which substantial processing of them has taken place that is economically justified.
- (4) Processing of any goods is to be regarded as substantial only if—
 - (a) it results in the manufacture of a new product or represents an important stage of manufacture, and
 - (b) it takes place in an undertaking equipped for the purpose.
- (5) It is for the person making a Customs declaration to show that goods originate from a particular country or territory.
- (6) The Treasury may by regulations make provision for the purposes of this section, including (for example) provision—
 - (a) for determining what constitutes, or does not constitute, processing that is economically justified,
 - (b) for determining what constitutes, or does not constitute, an important stage of manufacture,
 - (c) as to cases in which goods are, or are not, to be regarded as originating from a country or territory, and
 - (d) as to the evidence which is to be required, or is to be sufficient, for the purpose of showing that goods originate from a particular country or territory.
- (7) In relation to any case where the applicable rate of import duty is determined under section 9 or 10 (preferences), the provision that may be made by regulations under subsection (6) includes—
 - (a) provision for the place of origin of the goods to be determined in accordance with the regulations,
 - (b) provision for regarding goods exported by or on behalf of persons approved in accordance with the regulations as originating from a country or territory or for regarding only goods exported by or on behalf of approved persons as originating from a country or territory,
 - (c) provision for different categories of approved persons,
 - (d) provision requiring the Treasury to publish a list of persons who are for the time being approved persons and information about the category of approval, and
 - (e) other provision about approved persons.
- (8) The power to make regulations under this section is exercisable only on the recommendation of the Secretary of State.

18 Currency

- (1) The value of chargeable goods for the purposes of this Part must be calculated and expressed in sterling.

- (2) If an amount that is relevant for the purpose of calculating the value of goods for the purposes of this Part is expressed in a currency other than sterling, the amount must be converted into its sterling equivalent.
- (3) The conversion must be made in accordance with provision contained in a public notice given by HMRC Commissioners.
- (4) The public notice may make provision—
 - (a) specifying the exchange rate that must be used for the purposes of this section,
 - (b) for the conversion to be made by reference to an exchange rate (or rates) applicable at any time (including a time earlier than that at which an importation took place) or by reference to the average exchange rate for a specified period,
 - (c) for the exchange rate determined in accordance with the notice to apply to transactions or other events taking place in a specified period,
 - (d) for adjusting the applicable exchange rate if the value of sterling against the currency concerned has increased or decreased by more than a specified percentage, and
 - (e) for any conversion to be rounded up or down.