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STATUTORY INSTRUMENTS

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**2018 No. 1248**

**The Customs (Import Duty) (EU Exit) Regulations 2018**

**PART 12**

**Valuation of chargeable goods**

**CHAPTER 6**

**Comparable, identical and similar goods and related persons**

**Comparable, identical and similar goods**

**127.**—(1) In this Part—

“comparable goods” means—

- (a) goods which are identical to the chargeable goods presented to Customs on import; or
- (b) where there are no such identical goods, similar goods;

“identical goods” means those goods which are—

- (a) identical in all relevant characteristics to the chargeable goods presented to Customs on import; and
- (b) produced in the same territory as those chargeable goods;

“similar goods” means goods which in comparison with the chargeable goods presented to Customs on import—

- (a) have similar characteristics and contain similar materials; and
- (b) perform the same or a similar function and are regarded as commercially interchangeable.

(2) HMRC may publish a notice specifying—

- (a) generally or in relation to particular goods the matters to be taken into account in determining whether or not goods are similar to each other; or
- (b) those goods which are similar to other goods.

**Related persons**

**128.**—(1) Persons A and B are related persons for the purposes of this Part in the following cases—

- (a) where B is a body corporate, A is an officer of B;
- (b) A and B are partners in the same business;
- (c) A is an employee of B;
- (d) the same person controls a business carried on by A and a business carried on by B;
- (e) A controls a business carried on by B;
- (f) A and B jointly control the business of another person; or

- (g) A is a member of the same family as B.
- (2) For the purposes of paragraph (1)—
  - (a) a person controls a business carried on by another person where the latter is accustomed to conduct the business in accordance with the directions of the former;
  - (b) a person also controls a business carried on by another person where the control is exercised through a third person who acts on that person's direction;
  - (c) where a business is carried on by a company, a person controls that business where that person holds 5% or more of the voting rights in the company; and
  - (d) a business referred to is not limited to a business involved in the importation of the chargeable goods presented to Customs.
- (3) In paragraph (1)(g), "A is a member of the same family as B" where a relationship exists directly or indirectly between A and B which arises through blood, adoption, marriage, civil partnership or co-habitation.
- (4) HMRC must publish a notice as to the relationships HMRC consider fall within paragraph (3).