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## EXPLANATORY NOTE

*(This note is not part of the Regulations)*

These Regulations are made under section 2(2) of the European Communities Act 1972 (c. 68). They provide civil penalties that apply for contravention of safety and security obligations contained in EU regulations. Some of these penalties replace defective penalties under the Customs (Contravention of a Relevant Rule) Regulations 2003 (S.I. 2003/3113). Consequently these Regulations are issued free of charge to all known recipients of those Regulations.

Regulation 3 sets out that if a person contravenes a relevant safety and security rule they are liable to a penalty. The details of the rules, penalties and persons liable are set out in the Schedule.

In the Schedule: Column 1 sets out the relevant safety and security rules, Column 2 specifies the person who would be liable and Column 3 specifies the maximum penalty that the person would be liable to for contravening the rule.

Regulations 4 to 16 set out the rules for exceptions from and reductions to penalties, the issuing of demand notices for penalties and for reviews and appeals of decisions made by HMRC.

Regulation 17 revokes an earlier penalty that is replaced in these Regulations.

This instrument will be covered by an overarching HMRC impact assessment (second edition) which will be published and available on the website at:

<https://www.gov.uk/government/collections/customs-vat-and-excise-regulations-leaving-the-eu-with-no-deal>.