
STATUTORY INSTRUMENTS

2020 No. 1642 (C. 49)

**EXITING THE EUROPEAN UNION
EXCISE
CUSTOMS
VALUE ADDED TAX**

The Finance Act 2016, Section 126 (Appointed Day), the Taxation (Cross-border Trade) Act 2018 (Appointed Day No. 8, Transition and Saving Provisions) and the Taxation (Post-transition Period) Act 2020 (Appointed Day No. 1) (EU Exit) Regulations 2020

Made - - - - 23rd December 2020

The Treasury make these Regulations in exercise of the powers conferred by section 126(5) and (6) of the Finance Act 2016⁽¹⁾, sections 56 and 57 of the Taxation (Cross-border Trade) Act 2018⁽²⁾ and section 11 of the Taxation (Post-transition Period) Act 2020⁽³⁾.

The Treasury consider it appropriate to make regulations 5, 6, 7 and 8 in accordance with section 56(4) of the Taxation (Cross-border Trade) Act 2018.

Citation

1. These Regulations may be cited as The Finance Act 2016, Section 126 (Appointed Day), the Taxation (Cross-border Trade) Act 2018 (Appointed Day No. 8, Transition and Saving Provisions) and the Taxation (Post-transition Period) Act 2020 (Appointed Day No. 1) (EU Exit) Regulations 2020.

Interpretation

2. In these Regulations “EUCL” means the direct EU legislation referred to in paragraph 1(1) of Schedule 7 to the Taxation (Cross-border Trade) Act 2018.

(1) 2016 c. 24.
(2) 2018 c. 22.
(3) 2020 c. 26.

Appointed day – Finance Act 2016

3. The amendments to the Value Added Tax Act 1994⁽⁴⁾ made by section 126 of the Finance Act 2016 (VAT: women’s sanitary products) have effect in relation to supplies made, and acquisitions and importations taking place, on or after IP completion day⁽⁵⁾.

Appointed day, saving and transitional provisions – Taxation (Cross-border Trade) Act 2018

4. The day appointed for the coming into force of the following provisions of the Taxation (Cross-border Trade) Act 2018, so far as not already in force, is IP completion day—

- (a) Part 1 (import duty), other than paragraph 90 of Schedule 7;
- (b) Part 3 (value added tax);
- (c) Part 4 (excise duties).

5. Section 5 of the Customs and Excise Duties (General Reliefs) Act 1979⁽⁶⁾ shall continue to have effect as it had effect immediately before IP completion day in relation to goods removed to Great Britain from the Channel Islands.

6. The amendment made by paragraph 8(1) of Schedule 9 to the Taxation (Cross-border Trade) Act 2018 has no effect in relation to failures, omissions or inaccuracies occurring before IP completion day.

7. Any subordinate legislation that was made under any powers that are amended, modified or repealed by or under any provisions of the Taxation (Cross-border Trade) Act 2018 that come into force on IP completion day by virtue of regulation 4(b) shall continue to have effect as it had effect immediately before IP completion day.

8. Where EUCL (or any part of it) continues to have effect in relation to a release for free circulation in accordance with Title II of Part 3 of the Agreement on the Withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and the European Atomic Energy Community, the amendment made by paragraph 9 of Schedule 9 to the Taxation (Cross-border Trade) Act 2018 is to be read as if for “Part 1 of the Taxation (Cross-border Trade) Act 2018” there were substituted “Article 201 of Regulation (EU) No 952/2013 of the European Parliament and of the Council of 9 October 2013 laying down the Union Customs Code”⁽⁷⁾.

Appointed day – Taxation (Post-transition Period) Act 2020

9. The day appointed for the coming into force of the provisions of the Taxation (Post-transition Period) Act 2020, so far as not already in force, is IP completion day, other than paragraph 7(3) of Schedule 2.

(4) 1994 c. 23.

(5) Section 126(5) of the Finance Act 2016 provides that the amendments that section makes are to have effect in relation to supplies, acquisitions and importations. Whilst paragraph 2 of Schedule 8 to the Taxation (Cross-border Trade) Act 2018 amends section 1 of the Value Added Tax Act 1994 to omit acquisitions from the chargeable events for VAT purposes, acquisition tax continues to be charged in Northern Ireland by virtue of paragraph 2 of Schedule 9ZB to the Value Added Tax Act 1994, as inserted by paragraph 2 of Schedule 2 to the Taxation (Post-transition Period) Act 2020.

(6) 1979 c. 3. Section 5 of the Customs and Excise Duties (General Reliefs) Act 1979 is repealed by paragraph 123 of Schedule 7 to the Taxation (Cross-border Trade) Act 2018.

(7) OJ No. L 269, 1.10.2013, p. 1 – 101.

23rd December 2020

Michael Tomlinson
David Duguid
Two of the Lords Commissioners of Her
Majesty's Treasury

Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations appoint IP completion day as the day on which various provisions of primary legislation come into force in consequence of the United Kingdom exiting the EU.

Regulation 3 provides that the amendments to the Value Added Tax Act 1994 (c. 23) made by section 126 of the Finance Act 2016 (c. 24) have effect in relation to supplies made, and acquisitions and importations taking place, on or after IP completion day. This changes the rate of value added tax applicable to women's sanitary products from a reduced rate to a zero-rate.

Regulation 4 brings into force on IP completion day all the provisions of the Taxation (Cross-border Trade) Act 2018 (c. 22), so far as not already in force, except paragraph 90 of Schedule 7 (which relates to the repeal of section 119 of the Customs and Excise Management Act 1979 (c. 2) (delivery of imported goods on giving of security for duty)).

Regulation 5 makes a saving provision in relation to section 5 of the Customs and Excise Duties (General Reliefs) Act 1979 (c. 3), which relates to relief from customs duty of certain goods from the Channel Islands and is repealed by paragraph 123 of Schedule 7 to the Taxation (Cross-border Trade) Act 2018 (c. 22), in relation to goods removed to Great Britain from the Channel Islands.

Regulation 6 prevents the amendment to section 12 of the Finance Act 1994 (c. 9), which relates to assessments of excise duty or penalties, from having any effect in relation to failures, omissions or inaccuracies occurring before IP completion day.

Regulation 7 makes a saving provision in relation to the value added tax provisions that are being brought into force to ensure that existing subordinate legislation made under any amended, modified or repealed provisions will continue to have effect.

Regulation 8 ensures that penalty provisions in Schedule 41 to the Finance Act 2008 (c. 9) continue to have effect where goods are released for free circulation after IP completion day in accordance with the Union Customs Code.

Regulation 9 brings into force on IP completion day all the provisions of the Taxation (Post-transition Period) Act 2020 (c. 26), so far as not already in force, except paragraph 7(3) of Schedule 2.

A Tax Information and Impact Note has not been prepared for these Regulations as they give effect to previously announced policy and are appointed day regulations.

NOTE AS TO EARLIER COMMENCEMENT REGULATIONS

(This note is not part of the Regulations)

The following provisions of the Taxation (Cross-border Trade) Act 2018 (c. 22) have been brought into force by appointed day regulations made before the date of these Regulations.

<i>Provision</i>	<i>Date of Commencement</i>	<i>S.I. No.</i>
Section 10	23rd January 2019	2019/69
Section 13	4th March 2019	2019/429
Section 15	23rd January 2019	2019/69
Section 29(1) (partially)	8th April 2019	2019/819

<i>Provision</i>	<i>Date of Commencement</i>	<i>S.I. No.</i>
Section 41(2)(b) (partially)	28th January 2019	2019/104
Section 43 (partially)	16th December 2018	2018/1362
Schedule 3	23rd January 2019	2019/69
Schedule 4 (excluding paragraphs 22 and 30)	4th March 2019	2019/429
Schedule 4, paragraph 22	30th January 2020	2020/97
Schedule 4, paragraph 30	7th May 2019	2019/914
Schedule 5 (excluding paragraphs 22 and 29)	4th March 2019	2019/429
Schedule 5, paragraph 22	30th January 2020	2020/97
Schedule 5, paragraph 29	7th May 2019	2019/914
Schedule 7, paragraph 1 (partially)	Immediately after the coming into force of section 3 of the European Union (Withdrawal) Act 2018 (c. 16)	2019/429
Schedule 7, paragraph 3 (partially)	8th April 2019	2019/819
Schedule 7, paragraph 16 (partially)	8th April 2019	2019/819
Schedule 8, paragraph 1 (partially)	16th December 2018	2018/1362
Schedule 8, paragraph 14	16th December 2018	2018/1362
