
STATUTORY INSTRUMENTS

2021 No. 715

**EXITING THE EUROPEAN UNION
VALUE ADDED TAX**

**The Value Added Tax (Amendment)
(EU Exit) Regulations 2021**

		<i>at 1.47 p.m. on 28th</i>
<i>Made</i>	- - - -	<i>June 2021</i>
<i>Laid before the House of</i>		<i>at 4.15 p.m. on 28th</i>
<i>Commons</i>	- - - -	<i>June 2021</i>
<i>Coming into force</i>	- -	<i>1st August 2021</i>

The Treasury make these Regulations in exercise of the powers conferred by sections 30(4), 50A and 96(9) of the Value Added Tax Act 1994(1) and section 51(1)(a) and (3)(a) of the Taxation (Cross-border Trade) Act 2018(2).

The Treasury consider it appropriate in consequence of, or otherwise in connection with, the withdrawal of the United Kingdom from the EU to make the provision in regulations 1, 5 to 11 and 14 to 64 in relation to value added tax, including such provision as might be made by Act of Parliament.

Citation and commencement

1. These Regulations may be cited as the Value Added Tax (Amendment) (EU Exit) Regulations 2021 and come into force on 1st August 2021.

Amendment of Group 8 of Schedule 8 to the Value Added Tax Act 1994

2. Group 8 of Schedule 8 (zero-rating: transport) to the Value Added Tax Act 1994(3) is amended as follows.

3. After Item 6ZA, insert—

(1) 1994 c. 23. Section 30 was relevantly amended by paragraph 29 of Schedule 8 to the Taxation (Cross-border Trade) Act 2018 (c. 22) and section 50A was inserted by section 24(1) of the Finance Act 1995 (c. 4) and was amended by paragraph 52 of Schedule 8 to the Taxation (Cross-border Trade) Act 2018.

(2) 2018 c. 22; section 51(1)(a) permits “the appropriate Minister” to make provision relating to value added tax and, for the purpose of these Regulations, “the appropriate Minister” is the Treasury (see section 51(4)(b)).

(3) Relevant amendments were made to Group 8 by S.I. 1995/653, 2002/1173 and 2020/1312.

“**6ZB.** Any services provided in the United Kingdom for the handling of a railway vehicle on, or being prepared for, an international journey or for the handling or storage of goods carried on such a railway vehicle**(4)**.”.

4. After Note (6ZA), insert—

“(6ZB) An international journey is a journey starting in the United Kingdom and ending outside the United Kingdom or vice versa.

(6ZC) In Item 6ZB “railway vehicle” has the same meaning as in Item 6.”.

Amendment of the Value Added Tax (Terminal Markets) Order 1973

5. The Value Added Tax (Terminal Markets) Order 1973**(5)** is amended as follows.

6. In article 6—

- (a) for “or under Schedule 3” substitute “or under Part 8 of Schedule 9ZA**(6)**”;
- (b) for “paragraph 3 of Schedule 3” substitute “paragraph 40 of Schedule 9ZA”.

Amendment of the Value Added Tax (Imported Goods) Relief Order 1984

7. The Value Added Tax (Imported Goods) Relief Order 1984**(7)** is amended as follows.

8. In article 3A(2)—

- (a) in sub-paragraph (c)—
 - (i) omit “article 2(5) does not apply and instead,”;
 - (ii) for “Items 3 and 4” substitute “Items 4 and 5”;
- (b) for sub-paragraph (e)(i) substitute “in Items 4 and 5, for “the United Kingdom” read “the United Kingdom or one or more member States”,”.

9. In article 3B(2)(b), omit “article 2(5) does not apply and instead.”.

Amendment of the Value Added Tax (Cars) Order 1992

10. The Value Added Tax (Cars) Order 1992**(8)** is amended as follows.

11. In article 4(2) (treatment of transactions), for “section 11(1)(a) of” substitute “paragraph 3(1) (a) of Schedule 9ZA to”.

Amendment of the Value Added Tax (Special Provisions) Order 1995

12. The Value Added Tax (Special Provisions) Order 1995**(9)** is amended as follows.

13. In article 12(4)(a) (relief for certain goods)—

- (a) omit “or” at the end of paragraph (iii);
- (b) after paragraph (iv), insert—

(4) “Railway vehicle” is defined in Note (6) to Group 8 inserted by regulation 8 of S.I. 2020/1312.

(5) S.I. 1973/173, relevantly amended by S.I. 1999/3117, 2019/59 and 2020/1545.

(6) Schedule 9ZA was inserted by paragraph 2 of Schedule 2 to the Taxation (Post-transition Period) Act 2020 (c. 26).

(7) S.I. 1984/746, relevantly amended by S.I. 2019/59 and 2020/1545. It has effect subject to the modifications set out in Part 2 of Schedule 9ZC to the Value Added Tax Act 1994 which was inserted by paragraph 28 of Schedule 3 to the Taxation (Post-transition Period) Act 2020.

(8) S.I. 1992/3122, relevantly amended by S.I. 1995/1269 and 2020/1545.

(9) S.I. 1995/1268; to which there are amendments, but none is relevant to these Regulations.

- “(v) the supply is a supply of goods that are treated as supplied in the United Kingdom as a result of section 7(5B) of the Act(10); or
- (vi) the supply is a supply of goods that is treated as made by the operator of an online marketplace under section 5A of the Act(11) by virtue of the condition in subsection (1)(c)(ii) being satisfied;”.

Amendment of the Value Added Tax Regulations 1995

14. The Value Added Tax Regulations 1995(12) are amended as follows.
15. In regulation 2(1) (interpretation—general), in the definition of “registered person”, for “2, 3, 3A” substitute “3A, Part 8 or 9 of Schedule 9ZA or Schedule”.
16. In regulation 5 (registration and notification)—
 - (a) in paragraph (1), for “paragraph 3(1) of Schedule 2, paragraph 3(1) of Schedule 3 or paragraph 3(1) or 4(1) of Schedule 3A” substitute “paragraph 3(1) or 4(1) of Schedule 3A, paragraph 40(1) or 50(1) of Schedule 9ZA”;
 - (b) in paragraph (2), for “paragraph 5 of Schedule 2, paragraph 5 of Schedule 3 or paragraph 5 of Schedule 3A” substitute “paragraph 5 of Schedule 3A, paragraph 42 or 52 of Schedule 9ZA”;
 - (c) in paragraph (3)—
 - (i) in the opening words, for “paragraph 5 of Schedule 2, paragraph 5 of Schedule 3 or paragraph 5 of Schedule 3A” substitute “paragraph 5 of Schedule 3A, paragraph 42 or 52 of Schedule 9ZA”;
 - (ii) omit sub-paragraphs (d) and (e);
 - (iii) after sub-paragraph (f), insert—
 - “(fa) where paragraph 42(1) of Schedule 9ZA to the Act applies, the date on which he ceased to be registerable by virtue of paragraph 42(3) of that Schedule; or
 - (fb) where paragraph 52(1) of Schedule 9ZA to the Act applies, the date on which he ceased to be registerable by virtue of paragraph 52(4) of that Schedule; or”.
17. In regulation 11 (notification of intended section 14(1) supplies by intermediate suppliers)—
 - (a) in the heading, for “section 14(1)” substitute “paragraph 6(2) of Schedule 9ZA”;
 - (b) in paragraphs (1), (4) and (5), for “section 14(1) of” substitute “paragraph 6(2) of Schedule 9ZA to”.
18. In regulation 12 (notification of intended section 14(2) supplies by persons belonging in other member States)—
 - (a) in the heading, for “section 14(2)” substitute “paragraph 6(3) of Schedule 9ZA”;
 - (b) in paragraphs (1), (4) and (5), for “section 14(2) of” substitute “paragraph 6(3) of Schedule 9ZA to”.

(10) Section 7(5B) was inserted by section 7 of, and paragraph 4 of Schedule 3 to, the Taxation (Post-transition Period) Act 2020.

(11) Section 5A was inserted by section 7 of, and paragraph 2 of Schedule 3 to, the Taxation (Post-transition Period) Act 2020 and was amended by paragraph 3 of that Schedule.

(12) S.I. 1995/2518, relevantly amended by S.I. 1996/1250, 1997/2887, 1999/3114, 2000/258, 2000/794, 2002/1074, 2003/1485, 2003/3220, 2004/1082, 2004/1675, 2004/3140, 2005/762, 2006/3292, 2007/768, 2007/2085, 2009/820, 2009/2978, 2009/3241, 2010/559, 2010/3022, 2011/1043, 2011/2085, 2012/1899, 2012/2951, 2013/701, 2013/2241, 2014/548, 2015/1978, 2019/60, 2019/513, 2020/1384, 2020/1412 and 2020/1545.

- 19.** In regulation 13(6)(a) (obligation to provide a VAT invoice), for “section 6(7) of” substitute “paragraph 28(1) of Schedule 9ZB(13) to”.
- 20.** In regulation 14(2)(e) (contents of VAT invoice), for “section 95 of” substitute “paragraph 83 of Schedule 9ZA to”.
- 21.** In regulation 17 (section 14(6) supplies to persons belonging in other member States)—
- (a) in the heading, for “Section 14(6)” substitute “Paragraph 6(9) of Schedule 9ZA”;
 - (b) in paragraph (1), for “section 14(6) of” substitute “paragraph 6(9) of Schedule 9ZA to”.
- 22.** In regulation 18 (section 14(1) supplies by intermediate suppliers)—
- (a) in the heading, for “Section 14(1)” substitute “Paragraph 6(2) of Schedule 9ZA”;
 - (b) in each place it occurs in paragraphs (1) and (2), for “section 14(1) of” substitute “paragraph 6(2) of Schedule 9ZA to”.
- 23.** In regulation 19 (section 14(2) supplies by persons belonging in other member States)—
- (a) in the heading, for “Section 14(2)” substitute “Paragraph 6(3) of Schedule 9ZA”;
 - (b) in each place it occurs in paragraphs (1) and (2), for “section 14(2) of” substitute “paragraph 6(3) of Schedule 9ZA to”.
- 24.** In regulation 22(1) (submission of statements)—
- (a) in sub-paragraph (b), for “section 14(6) of” substitute “paragraph 6(9) of Schedule 9ZA to”;
 - (b) in sub-paragraph (c), for “paragraph 6 of Schedule 4” substitute “paragraph 30 of Schedule 9ZB”.
- 25.** In regulation 25 (making of returns)—
- (a) in paragraph (1)(b), for “2, 3, 3A” substitute “3A, Parts 8 and 9 of Schedule 9ZA and Schedule”;
 - (b) in paragraph (4)(b), for “paragraph 4 of Schedule 2 or paragraph 4 of Schedule 3” substitute “paragraph 41 or 51 of Schedule 9ZA”.
- 26.** In regulation 29(2)(f) (claims for input tax), for “section 95 of” substitute “paragraph 83 of Schedule 9ZA to”.
- 27.** In regulation 39 (calculation of returns)—
- (a) in paragraph (1), after “this regulation” insert “and any further requirements that may be contained in a notice published by the Commissioners”;
 - (b) in paragraph (2)—
 - (i) for “the box opposite the legend “VAT due in this period on sales and other outputs”” substitute “Box 1”;
 - (ii) for “acquisitions in Northern Ireland from member States” substitute “acquisitions of goods made in Northern Ireland from EU member States”;
 - (iii) for “the box opposite the legend “VAT due in this period on acquisitions from other EC member States”” substitute “Box 2”;
 - (c) in paragraph (3), for “the box opposite the legend “VAT reclaimed in this period on purchases and other inputs” (including acquisitions from other member States)” substitute “Box 4”.

(13) Schedule 9ZB was inserted by paragraph 2 of Schedule 2 to the Taxation (Post-transition Period) Act 2020.

28. In regulation 83 (time of acquisition), for “section 12(1)(b) of” substitute “paragraph 4(1) (b) of Schedule 9ZA to”.

29. In regulation 86(1) (supplies of water, gas or any form of power, heat, refrigeration or other cooling, or ventilation), for “subsections (7) and (8) of section 6 of” substitute “sub-paragraphs (1) and (2) of paragraph 28 of Schedule 9ZB to”.

30. In regulation 88(1) (supplier’s goods in possession of buyer), for “subsections (7) and (8) of section 6 of” substitute “sub-paragraphs (1) and (2) of paragraph 28 of Schedule 9ZB to”.

31. In regulation 89 (retention payments), for “subsections (7) and (8) of section 6 of” substitute “sub-paragraphs (1) and (2) of paragraph 28 of Schedule 9ZB to”.

32. In regulation 96 (interpretation of Part 12), for “paragraph 5 of Schedule 7” substitute “paragraph 13 of Schedule 9ZA”.

33. In regulation 97(1) (valuation of acquisitions), for “paragraph 2 of Schedule 7” substitute “paragraph 10 of Schedule 9ZA”.

34. In regulation 98(1) (distance sales from Northern Ireland to the EU), for “paragraph 1(2) of Schedule 2” substitute “paragraph 48(2) of Schedule 9ZA”.

35. In regulation 99(1) (interpretation of Part 14 and longer periods), in sub-paragraphs (c)(ii), (d)(i) and (e), for “2, 3 or 3A” substitute “3A, Part 8 or 9 of Schedule 9ZA or Schedule 9ZC(14)”.

36. In regulation 101(3)(g) (attribution of input tax to taxable supplies), for “paragraph 31B(1)” substitute “paragraph 31A(1)”.

37. In regulation 109A(1)(b) (adjustment of attribution), for “paragraph 31B” substitute “paragraph 31A”.

38. In regulation 110 (adjustment of attribution)—

(a) in each place it occurs in paragraphs (1), (2), (3) and (5), for “and 109” substitute “, 109 and 109A”;

(b) in paragraph (4)—

(i) in sub-paragraph (a), for “or 109” substitute “, 109 or 109A”;

(ii) in the closing words, after “regulation 109” insert “or 109A”.

39. In regulation 118 (enactments excepted)—

(a) in paragraph (a)—

(i) before sub-paragraph (i) insert—

“(ai) section 5A (exemption from duty on spirits in flavourings)(15),”;

(ii) omit sub-paragraphs (iii) and (v);

(iii) in sub-paragraph (vi), omit “and 43”;

(b) in paragraph (b), omit sub-paragraphs (iii) and (v);

(c) in paragraph (c), omit sub-paragraph (iv);

(d) after paragraph (f), insert—

“(fa) the Finance Act 1995(16), section 5 (denatured alcohol);”.

(14) Schedule 9ZC was inserted by paragraph 28 of Schedule 3 to the Taxation (Post-transition Period) Act 2020.

(15) Section 5A was inserted by S.I. 2009/730.

(16) 1995 c. 4. There are no relevant amendments.

40. In regulation 129(1) (supplies to overseas persons), in sub-paragraphs (a) and (b) after “a place outside Great Britain” insert “other than Northern Ireland”.

41. In regulations 132 and 133(1), after “remain outside Great Britain” insert “and Northern Ireland”.

42. In regulation 133A (interpretation), in the appropriate places insert—

““Commission Delegated Regulation” means Commission Delegated Regulation (EU) No 2015/2446(17), so far as it applies by virtue of section 7A of the European Union (Withdrawal) Act 2018(18);

“Commission Implementing Regulation” means Commission Implementing Regulation (EU) No 2015/2447(19), so far as it applies by virtue of section 7A of the European Union (Withdrawal) Act 2018;

“Union Customs Code” means Council [Regulation \(EU\) No 952/2013](#) (laying down the Union Customs Code)(20), so far as it applies by virtue of section 7A of the European Union (Withdrawal) Act 2018;”.

43. After regulation 133A, insert—

“Enactments excepted

133AB. There shall be excepted from the enactments which are to apply to importations as mentioned in section 16(1)(21) of the Act—

(a) the Alcoholic Liquor Duties Act 1979(22)—

- (i) section 5A (exemption from duty on spirits in flavourings);
- (ii) section 7 (exemption from duty on spirits in articles used for medical purposes);
- (iii) section 8 (remission of duty on spirits used for medical or scientific purposes);
- (iv) section 10 (remission of duty on spirits for use in art or manufacture);
- (v) section 42 (drawback on exportation of beer);

(b) the Hydrocarbon Oil Duties Act 1979(23)—

- (i) section 9 (relief for certain industrial uses);
- (ii) section 15 (drawback of duty on exportation etc of certain goods);
- (iii) section 17 (repayment of duty on heavy oil used by horticultural producers);
- (iv) section 19 (repayment of duty on fuel used in fishing boats etc);
- (v) section 20 (relief from duty on oil contaminated or accidentally mixed in warehouse);
- (vi) section 20AA (power to allow reliefs);

(17) OJ L 343, 29.12.2015, p. 1.

(18) [2018 c. 16](#); section 7A was inserted by section 5 of the European Union (Withdrawal Agreement) Act [2020 \(c. 1\)](#).

(19) OJ L 343, 29.12.2015, p. 558.

(20) OJ L 269, 10.10.2013, p. 1.

(21) Regulation 133AB excepts the application of various enactments which apply by virtue of section 16 of the Value Added Tax Act 1994. Section 16(1) was substituted by paragraph 13 of Schedule 8 to the Taxation (Cross-border Trade) Act 2018. Section 16(1) applies to the entry of goods into Northern Ireland following their removal from Great Britain by virtue of paragraph 3(5) of Schedule 9ZB to the Value Added Tax Act 1994.

(22) [1979 c. 4](#). Section 5A was inserted by [S.I 2009/730](#). There are no other relevant amendments.

(23) [1979 c. 5](#). Section 20AA was inserted by section 2(1) of the Finance Act [1989 \(c. 26\)](#). There are no other relevant amendments.

- (c) the Customs and Excise Management Act 1979(24)—
 - (i) section 43(5) (provisions as to duty on re-imported goods);
 - (ii) subsections (1) and (2) of section 125 (valuation of goods for the purpose of ad valorem duties) so far as they apply by virtue of paragraph 158 of Schedule 7 to the Taxation (Cross-border Trade) Act 2018;
 - (iii) section 126 (charge of excise duty on manufactured or composite imported articles);
- (d) the Customs and Excise Duties (General Reliefs) Act 1979(25), other than section 8 (relief from customs or excise duty on trade samples, labels, etc.) and section 9(b) (relief from customs or excise duty on prizes, etc.);
- (e) the Isle of Man Act 1979(26), sections 8 and 9 (removal of goods from Isle of Man to United Kingdom and vice versa);
- (f) the Tobacco Products Duty Act 1979(27), section 2(2) (remission or repayment of duty on tobacco products);
- (g) the Finance Act 1995, section 5 (denatured alcohol);
- (h) the Finance Act 1999(28), sections 126 and 127 (interest on unpaid customs debts and on certain repayments relating to customs duty).

Regulations excepted

133AC. The provision made by or under the following subordinate legislation shall be excepted from applying to importations as mentioned in section 16(1) of the Act—

- (a) regulations 16(4) and (5) and 19(1)(b) of the Excise Warehousing (Etc.) Regulations 1988 (certain removals from warehouse)(29);
- (b) any regulations made under section 197(2)(f) of the Finance Act 1996 (rate of interest on overdue customs duty and on repayments of amounts paid by way of customs duty)(30).

Union customs legislation excepted

133AD. There shall be excepted from the enactments which are to apply in respect of importations as mentioned in section 16(1) of the Act—

- (a) Council Regulation (EC) 1186/2009(31) on conditional reliefs from duty on the final importation of goods and any implementing Regulations made thereunder so far as they apply by virtue of section 7A of the European Union (Withdrawal) Act 2018;
- (b) the following Articles of the Union Customs Code and any implementing Regulations made thereunder, so far as they apply by virtue of section 7A of the European Union (Withdrawal) Act 2018—
 - (i) Article 112 (other payment facilities);

(24) 1979 c. 2. Paragraphs 3 to 117 of Schedule 7 to the Taxation (Cross-border Trade) Act 2018 (c. 16) amend this Act but paragraph 158(1) to (3) of that Schedule makes savings and modifications in relation to Northern Ireland.

(25) 1979 c. 3. Paragraphs 118 to 138 of Schedule 7 to the Taxation (Cross-border Trade) Act 2018 amend this Act but paragraph 158(4) of that Schedule makes savings and modifications in relation to Northern Ireland.

(26) 1979 c. 58, amended by paragraphs 139 to 141 of Schedule 7 to the Taxation (Cross-border Trade) Act 2018.

(27) 1979 c. 7. There are no relevant amendments.

(28) 1999 c. 16. There are no relevant amendments.

(29) S.I. 1988/809.

(30) 1996 c. 8. Section 197(2)(f) was inserted by section 130(3) of the Finance Act 1999 (c. 16).

(31) OJ L 324, 10.12.2009, p. 23.

- (ii) Article 114(3) and (4) (interest on arrears of duty);
- (iii) Article 116(6) (interest on certain repayments by the authorities);
- (iv) Articles 250 to 253 so far as they relate to partial relief on temporary admission into Northern Ireland;
- (v) Articles 259 to 262 (outward processing);
- (c) **Council Regulation (EEC) No 2658/87** on the tariff and statistical nomenclature and on the Common Customs Tariff⁽³²⁾ and implementing Regulations made thereunder (end use relief), so far as they apply by virtue of section 7A of the European Union (Withdrawal) Act 2018, save and in so far as the said Regulations apply to goods admitted into territorial waters—
 - (i) in order to be incorporated into drilling or production platforms, for purposes of the construction, repair, maintenance, alteration or fitting-out of such platforms, or to link such drilling or production platforms to the mainland of Northern Ireland, or
 - (ii) for the fuelling and provisioning of drilling or production platforms.

Adaptations

133AE.—(1) The provision made by the following enactments shall apply to importations as provided for in section 16(1) of the Act subject to the following adaptations—

- (a) section 125(3) of the Customs and Excise Management Act 1979 (valuation of goods), so far as it applies by virtue of section 7A of the European Union (Withdrawal) Act 2018 shall have effect as if the reference to the preceding subsections of that section included a reference to section 21 of the Act;
- (b) section 129 of the Finance Act 1999 (recovery of certain amounts by the Commissioners) shall be regarded as providing for the recovery of any relevant NI import duty.

(2) In this regulation “relevant NI import duty” has the same meaning as in paragraph 1(8) of Schedule 9ZB to the Act.

133AF.—(1) The application of Title III, Chapter 2 (guarantee for a potential or existing customs debt) of the Union Customs Code in relation to any VAT chargeable on the importation of goods into Northern Ireland from places outside the member States (but not including Great Britain) is subject to the following prescribed adaptations.

(2) In Article 89(9) (general provisions), regard “guarantee” as being “appropriate guarantee (which may be nil if there is no risk to the payment)”.

(3) In Article 110 (deferment of payment), regard there being a second subparagraph as follows—

“Provided that the amount in question may exceed that of the guarantee in the case where a nil guarantee or no guarantee is required.”.

133AG. The application of the Customs Duties (Deferred Payment) Regulations 1976⁽³³⁾ in relation to any VAT chargeable on the importation of goods into Northern Ireland from places outside the member States (but not including Great Britain) is subject

⁽³²⁾ OJ L 256, 7.9.1987, p. 1.

⁽³³⁾ S.I. 1976/1223, amended by S.I. 1978/1725.

to the following prescribed adaptation, namely before “and” at the end of regulation 8(a) (deemed payment for certain purposes at time deferment granted) regard there as being—

“(aa) Article 195 of the Union Customs Code (release dependent upon payment of the amount of import or export duty corresponding to the customs debt or provision of a guarantee);”.

133AH.—(1) The application of the Union Customs Code in relation to any VAT chargeable on the importation of goods into Northern Ireland from places outside the member States (but not including Great Britain) is subject to the following adaptations.

(2) But the adaptation in paragraph (3) only applies to the extent that the Commissioners grant deferment of payment of the relevant VAT with nil security.

(3) Regard Article 89 (general provisions) as not being subject to Article 90 (compulsory guarantee).

(4) In the second sub-paragraph of Article 105(1) (single entry in the accounts), after “guaranteed” regard there as being “if required”.

(5) In Article 110 (deferment of payment), after “upon provision of a guarantee” regard there as being “(but the customs authorities may waive this requirement if there is no risk to the payment)”.

133AI.—(1) The application of the Union Customs Code, the Commission Implementing Regulation and the Commission Delegated Regulation in relation to any VAT chargeable on the importation of goods into Northern Ireland from places outside the member States (but not including Great Britain) is subject to the following prescribed adaptations.

(2) But the adaptations in paragraphs (3) and (4) only apply to the extent that the Commissioners grant deferment of payment of the relevant VAT with nil security.

(3) Regard the following as providing that the provision of security is at the discretion of the customs authorities—

- (a) Articles 45 (suspension of implementation), 97 (additional or replacement guarantee) and 195 (release dependent upon payment of the amount of import or export duty corresponding to the customs debt or provision of a guarantee) of the Union Customs Code;
- (b) Article 244 (provision of a guarantee) of the Commission Implementing Regulation;
- (c) Articles 89 (suspension of the time-limit for payment in case of application for remission) and 91(2) (suspension of the time limit for payment in the case of customs debts incurred through non-compliance to be conditional in specific situations) of the Commission Delegated Regulation.

(4) Regard Articles 45, 97 and 195 of the Union Customs Code, Article 244 of the Commission Implementing Regulation and Articles 89 and 91(2) of the Commission Delegated Regulation as not being subject to Article 90 of the Union Customs Code.

Adaptations and exceptions for the application of returned goods relief in Northern Ireland

133AJ.—(1) The application of the Union Customs Code, the Commission Implementing Regulation and the Commission Delegated Regulation in relation to any VAT

chargeable on the importation of goods into the United Kingdom as a result of their entry into Northern Ireland is subject to the following modifications and exceptions.

(2) Regard Articles 203 to 207 (returned goods) of the Union Customs Code, Articles 253 to 256 of the Commission Implementing Regulation and Articles 158 to 160 of the Commission Delegated Regulation as requiring that the goods are re-imported into Northern Ireland by the same person who originally exported or re-exported the goods from the VAT territory.

(3) Regard the amount of relief mentioned in Article 203(5) of the Union Customs Code as reduced by the amount of any unpaid VAT.

(4) Regard the amount of import duty mentioned in Article 205 of the Union Customs Code as reduced by the amount of any paid VAT.

(5) For the purposes of paragraphs (3) and (4)—

(a) “VAT” includes value added tax charged in accordance with the law of a member State as follows:

(i) references to the law of that member State shall be construed as confined to so much of the law of that member State as for the time being has effect for the purposes of any EU instrument relating to VAT;

(ii) references to a person being taxable in a member State shall be construed by reference to the law of the United Kingdom as to whether a person is a taxable person;

(iii) references to goods being acquired by a person in a member State shall be construed by reference to the law of the United Kingdom for treating goods as acquired in the United Kingdom from a member State;

(b) “unpaid” refers to any part of the VAT charged and due on—

(i) a supply or acquisition of the goods in a member State before the reimportation, or

(ii) an importation of the goods into the United Kingdom from outside the member States before the reimportation,

but repaid, remitted or otherwise not paid;

(c) “paid” refers to any part of the VAT charged, due and paid on—

(i) a supply or acquisition of the goods in a member State before the reimportation, or

(ii) an importation of the goods into the United Kingdom from outside the member States before the reimportation,

and without any actual, or prospect of, repayment or remission;

(d) a sum for which there is or was under the law of a member State an entitlement or right to a deduction or refund under articles 167 to 172 of Council [Directive 2006/112/EC](#) of 28 November 2006⁽³⁴⁾ is neither “unpaid” nor “paid”.

(6) In the circumstances described in paragraph (7) or (8), Articles 203 to 207 of the Union Customs Code, Articles 253 to 256 of the Commission Implementing Regulation and Articles 158 to 160 of the Commission Delegated Regulation are excepted from the Union customs legislation which is to apply as mentioned in section 16(1) of the Act (application of customs enactments).

(7) The circumstances are that—

(34) OJ L 347, 11.12.2006, p. 1.

- (a) the re-importer contemplated by those articles makes a supply of or concerning the goods whilst under the inward processing procedure or in the course of or after the relevant exportation, re-exportation or reimportation,
 - (b) the place of that supply for the purposes of VAT is determined by or under [section 7](#) of the Act (place of supply) as being outside the United Kingdom, and
 - (c) the goods nevertheless are or may be stored or physically used in Northern Ireland by or under the direction of that re-importer or the person to whom that supply is made (“recipient”),
and for these purposes “re-importer” and “recipient” include someone connected with either person or both persons as determined in accordance with sections 1122 and 1123 of the Corporation Tax Act 2010(35).
- (8) The circumstances are that the goods in question were supplied at any time to any person pursuant to regulations 133C to 133E (supplies to persons departing from the relevant States).
- (9) For the purposes of the legislation referred to in paragraph (2)—
- (a) regard the description of the customs territory of the Community in Article 4 of the Union Customs Code as being substituted with a description of the VAT territory;
 - (b) regard the following references as including a reference to the completion of the formalities referred to in Articles 274 and 275 of Council [Directive 2006/112/EC](#) of 28 November 2006 (formalities relating to entry of goods into VAT territory from territory considered a third territory)—
 - (i) “released for free circulation” in both the definition of “Union goods” in Article 5(23) and in Article 203 of the Union Customs Code;
 - (ii) “declared for release for free circulation” in or for the purposes of Article 159(1)(c) of the Commission Delegated Regulation and Articles 253 and 254 of the Commission Implementing Regulation;
 - (c) regard the following references as including a reference to the completion of the formalities referred to in Articles 278 and 279 of Council [Directive 2006/112/EC](#) of 28 November 2006 (formalities relating to dispatch or transport of goods from member State to territory considered a third territory)—
 - (i) “export” in Article 204 of the Union Customs Code;
 - (ii) “customs formalities relating to their export” in Article 159(1)(c) of the Commission Delegated Regulation;
 - (iii) “re-export declaration” in Article 253 of the Commission Implementing Regulation;
 - (iv) “completion of formalities” in Article 254 of the Commission Implementing Regulation;
 - (v) “export formalities” in Article 255(2) and (3) of the Commission Implementing Regulation;
 - (d) regard—
 - (i) the definition of “import duty” in Article 5(20) of the Union Customs Code as reading “VAT charged on the importation of goods”;

(35) 2010 c. 4. There are no relevant amendments.

- (ii) the references to “import duty” and “duty” in Articles 203(1), (3), (5) and (6) and 205 of the Union Customs Code as references to VAT charged on the importation of goods;
 - (e) where the context requires, regard references to “Union goods” as referring to goods located in Northern Ireland that are subject to Union customs legislation by virtue of the Northern Ireland Protocol.
- (10) In this regulation—
- (a) “the VAT territory” is the territorial application set out in Article 4 of the Union Customs Code and the territory of Northern Ireland;
 - (b) “the Northern Ireland Protocol” means 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⁽³⁶⁾.

Temporary importations into Northern Ireland

133AK.—(1) Subject to such conditions as the Commissioners may impose, the VAT chargeable on the importation of goods shall not be payable where—

- (a) a taxable person makes a supply of goods which is to be zero-rated in accordance with the relevant provisions of the Act,
- (b) the goods so imported are the subject of that supply, and
- (c) the Commissioners are satisfied that the importer—
 - (i) intends to remove the goods to a member State, and
 - (ii) is importing the goods in the course of a supply by the importer of those goods in accordance with the relevant provisions of the Act and any regulations made thereunder.

(2) As a condition of granting the relief afforded by paragraph (1), the Commissioners may require the deposit of security the amount of which shall not exceed the amount of VAT chargeable on the importation.

(3) The relief afforded by paragraph (1) above shall continue to apply provided that the importer—

- (a) removes the goods to a member State within one month of the date of importation or within such longer period as the Commissioners may allow, and
- (b) supplies the goods in accordance with the relevant provisions of the Act and any regulations made thereunder.

(4) In this regulation, the “relevant provisions of the Act” are the provisions in subparagraphs (a)(i) and (ii) and (b) of section 30(8) of the Act to be read as if the changes made by paragraph 29(5) of Schedule 8 to the Taxation (Cross-border Trade) Act 2018 had not been made⁽³⁷⁾ and “Northern Ireland” is substituted for “United Kingdom”.

Northern Ireland: re-importation of goods exported for treatment or process

133AL.—(1) Subject to such conditions as the Commissioners may impose, VAT chargeable on the NI importation of goods which have been temporarily exported and are re-imported after having undergone repair, process or adaptation abroad, or after having

⁽³⁶⁾ 2019/C 384 I/01; a copy is available at <https://www.legislation.gov.uk/eut/withdrawal-agreement/contents/adopted>.

⁽³⁷⁾ Paragraph 29(5) of Schedule 8 to the Taxation (Cross-border Trade) Act 2018 substituted a new section 30(8)(a) of the Value Added Tax Act 1994.

been made up or reworked abroad, shall be payable as if such treatment or process had been carried out in Northern Ireland, if the Commissioners are satisfied that—

- (a) at the time of exportation, the goods were intended to be re-imported after completion of the treatment or process abroad, and
 - (b) the ownership in the goods was not transferred to any other person at exportation or during the time they were abroad.
- (2) In this regulation—
- (a) “abroad” means outside Northern Ireland and the European Union;
 - (b) “exportation”, in relation to the goods mentioned in paragraph (1), means the exportation of goods from the United Kingdom as a result of their removal from Northern Ireland to a place outside the European Union and “exported” is to be interpreted accordingly;
 - (c) “VAT chargeable on the NI importation of goods” means VAT chargeable in accordance with paragraph 1(3) of Schedule 9ZB to the Act (VAT on the importation of non-Union goods into the United Kingdom as a result of their entry into Northern Ireland).

Export of freight containers from Northern Ireland

133AM. Where the Commissioners are satisfied that a container is to be exported, its supply, subject to such conditions as they may impose, shall be zero-rated.”.

44. In regulation 133D(1) (supplies to persons departing from the relevant States), after “12 months” insert “(or 30 days if the motor vehicle is to be removed to Great Britain)”.

45. In regulation 133E—

- (a) in paragraph (1), after “6 months” insert “(or 30 days if the motor vehicle is to be removed to Great Britain)”;
- (b) omit paragraph (3).

46. For regulation 133G substitute—

“**133G.** The zero-rating provided for by regulation 133F shall be revoked where, in relation to the supply mentioned in that regulation—

- (a) the taxable person who makes the supply fails to comply with the obligation to submit a statement under regulation 22, or
- (b) the statement submitted by that taxable person does not set out the correct information as required by or under regulation 22,

unless the taxable person can satisfy the Commissioners that there was a reasonable excuse for the failure to comply or the failure to submit the correct information, as the case may be.”.

47. After regulation 133H insert—

“Supplies of goods subject to excise duty to persons who are not taxable in a member state

133I. Where the Commissioners are satisfied that—

- (a) a supply by a taxable person of goods subject to excise duty involves their removal from Northern Ireland to a member State,

- (b) that supply is other than to a person taxable in a member State and the place of supply is not, by virtue of paragraph 29(2) of Schedule 9ZB to the Act, treated as outside the United Kingdom,
- (c) the goods have been removed to a member State in accordance with the provisions of the Excise Goods (Holding, Movement and Duty Point) Regulations 2010⁽³⁸⁾, and
- (d) the goods are not goods in relation to whose supply the taxable person has opted, pursuant to section 50A of the Act, for VAT to be charged by reference to the profit margin on the supply,

the supply, subject to such conditions as the Commissioners may impose, shall be zero rated.

Scope of territories

133J.—(1) For the purposes of the Act, the following territories shall be treated as excluded from the territory of the European Union—

- (a) Andorra;
- (b) San Marino;
- (c) the Aland Islands.

(2) For the purposes of the Act, the following territories shall be treated as excluded from the territory of the member States and the territory of the European Union—

- (a) the Canary Islands (Kingdom of Spain);
- (b) Guadeloupe, French Guiana, Martinique, Mayotte, Réunion and Saint-Martin (French Republic);
- (c) Mount Athos (Hellenic Republic).

(3) For the purposes of the Act, the Principality of Monaco (French Republic) shall be treated as included in the territory of the member States and the territory of the European Union.

Entry and exit formalities and use of the internal Community transit procedure in Northern Ireland

133K.—(1) Where goods enter Northern Ireland from the territories specified in regulation 133J(1) or (2) (territories treated as excluded from the territory of the European Union or member States), the formalities relating to the entry of goods into the customs territory of the European Union contained in the Union Customs Code and the Commission Implementing Regulation shall be completed.

(2) Where goods are exported from Northern Ireland to the territories specified in regulation 133J(1) or (2) (territories treated as excluded from the territory of the European Union and member States), the formalities relating to the export of goods to a place outside the customs territory of the European Union contained in Union Customs Code and the Commission Implementing Regulation shall be completed.

(3) Where goods enter the United Kingdom by reason of their entry into Northern Ireland from the territories specified in regulation 133J(1) or (2) and the goods are intended for a member State, transport of the goods to which destination involves their passage through a member State, the internal Community transit procedure described in the Union Customs Code and Article 227 of the Commission Implementing Regulation shall apply.

⁽³⁸⁾ S.I. 2010/593, amended by S.I. 2011/2225, 2012/2786, 2013/3210, 2015/368, 2019/13, 2019/474, 2019/975, 2019/1216, 2019/1510 and 2020/1559.

Customs and excise legislation to be applied in Northern Ireland

133L. Subject to regulation 133N, where goods are imported into the United Kingdom by reason of their entry into Northern Ireland from the territories specified in regulation 133J(1) and (2), the customs and excise legislation referred to in regulations 133AB, 133AC, 133AD and 133AE shall apply (so far as relevant) in relation to any VAT chargeable upon such importation with the same exceptions and adaptations as are specified in those regulations in relation to the application of section 16(1) of the Act.

133M.—(1) Where goods are imported into the United Kingdom by reason of their entry into Northern Ireland from the territories specified in regulation 133J(2), section 4 of the Finance (No. 2) Act 1992 (enforcement powers)⁽³⁹⁾ shall apply in relation to any VAT chargeable upon such importation as if references in that section to “member States” excluded the territories specified in regulation 133J(2).

(2) Where goods are exported from Northern Ireland to the territories specified in regulation 133J(1) and (2), the provisions relating to the export of goods to a place outside the customs territory of the European Union contained in the Union Customs Code and the Commission Implementing Regulation shall apply for the purpose of ensuring the correct application of the zero rate of VAT to such goods.

133N.—(1) Subject to paragraph (2), where goods are exported from Northern Ireland to the territories specified in regulation 133J(1) and (2), the provisions made by or under the Customs and Excise Management Act 1979 in relation to the exportation of goods to places outside the member States shall apply (so far as relevant) for the purpose of ensuring the correct application of the zero rate of VAT to such goods.

(2) Where goods are being exported from Northern Ireland to the territories specified in regulation 133J(2), section 4 of the Finance (No. 2) Act 1992 (enforcement powers) shall apply to such goods as if references in that section to “member States” excluded the territories specified in regulation 133J(2).”.

48. In regulation 146 (interpretation of Part 17: means of transport), in the definition of “claim”, for “section 40 of” substitute “paragraph 19 of Schedule 9ZA to”.

49. In regulation 147(1) (first entry into service of a means of transport), for “section 95 of” substitute “paragraph 83 of Schedule 9ZA to”.

50. In regulation 148A (notification of the arrival in the United Kingdom of motorised land vehicles and payment of VAT)—

(a) in paragraph (9)(g)—

(i) in the opening words, for “paragraph 6 of Schedule 4” substitute “paragraph 30 of Schedule 9ZB”;

(ii) in sub-paragraph (i), for “paragraph 3 of Schedule 7” substitute “paragraph 11 of Schedule 9ZA”;

(b) in paragraph (14), for “paragraph 6 of Schedule 4” substitute “paragraph 30 of Schedule 9ZB”.

51. In regulation 205 (certification), for “3” substitute “Part 8 of Schedule 9ZA”.

52. In regulation 206(1)(f) and (h) (cancellation of certificates), for “3” substitute “Part 8 of Schedule 9ZA”.

53. In regulation 208(a) (further certification), for “3” substitute “Part 8 of Schedule 9ZA”.

(39) 1992 c. 48, relevantly amended by paragraph 13 of Schedule 1 to the Taxation (Post-transition Period) Act 2020.

Amendment of the Value Added Tax (Removal of Gas, Electricity, Heat and Cooling) Order 2010

54. The Value Added Tax (Removal of Gas, Electricity, Heat and Cooling) Order 2010(40) is amended as follows.

55. In article 3 (the application of paragraph 6(1) of Schedule 4 to the Value Added Tax Act 1994)—

- (a) in the heading, for “paragraph 6(1) of Schedule 4” substitute “paragraph 30 of Schedule 9ZB”;
- (b) for “Paragraph 6(1) of Schedule 4 (matters to be treated as supply of goods or services)” substitute “Paragraph 30 of Schedule 9ZB (removal of business assets to be treated as a supply of goods)”.

Amendment of the Value Added Tax (Accounting Procedures for Import VAT for VAT Registered Persons and Amendment) (EU Exit) Regulations 2019

56. The Value Added Tax (Accounting Procedures for Import VAT for VAT Registered Persons and Amendment) (EU Exit) Regulations 2019(41) are amended as follows.

57. After regulation 7 insert—

“Correction of errors

7A. Regulation 34 of the Value Added Tax Regulations 1995 (correction of errors)(42) applies for the purposes of these Regulations as if the references to “output tax” in that regulation include import VAT chargeable on the importation of relevant goods(43).”.

58. The amendment made by regulation 57 has effect in respect of import VAT chargeable on the importation of relevant goods on or after 1st August 2021.

Amendment of the Value Added Tax (Northern Ireland) (EU Exit) Regulations 2020

59. The Value Added Tax (Northern Ireland) (EU Exit) Regulations 2020(44) are amended as follows.

60. In regulations 3(3), 4(3), 5(3) and 7(4), in each place it occurs for “regulation 6” substitute “regulations 6 and 6A”.

61. In regulation 6(2) (removals where goods declared to special customs procedure), after “paragraph 4(3)” insert “, (3A)”.

62. After regulation 6 insert—

“6A.—(1) Paragraph (2) applies where goods are removed from Great Britain to Northern Ireland and in the course of that removal the goods are declared to a special customs procedure in a member State.

(2) Where this paragraph applies, the person who is treated as having imported the goods for the purposes of paragraph 4 of Schedule 9ZB to VATA is the person who causes the

(40) [S.I. 2010/2925](#), relevantly amended by [S.I.2020/1545](#).

(41) [S.I. 2019/60](#); amended by [S.I. 2020/1495](#) and [2020/1545](#).

(42) Regulation 34 was amended by [S.I. 1997/1086](#), [2008/1482](#), [2009/586](#) and [2012/1899](#).

(43) For the definition of “import VAT” and “relevant goods”, see regulation 2 of [S.I. 2019/60](#). The definition of import VAT does not include VAT chargeable on movements of goods between Northern Ireland and Great Britain and vice versa as provided for in paragraph 3(2) and (4) of Schedule 9ZB to the Value Added Tax Act 1994.

(44) [S.I. 2020/1546](#), amended by [S.I. 2021/483](#).

goods to be placed into free circulation and not the person described in paragraph 4(3), (3A)(45) or (4) of that Schedule, or any person described in this Part.

(3) A person (P) who (but for this regulation) would be treated as having imported the goods for the purposes of paragraph 4 of Schedule 9ZB to VATA is so treated if, on or before the date on which P would have to pay the VAT charged on the removal of those goods, P does not hold evidence of a description specified in a public notice made by the Commissioners of the goods having been placed into a special customs procedure.

(4) In this regulation—

- (a) “special customs procedure” means a procedure listed in Article 210 of [Regulation \(EU\) No 952/2013](#) of the European Parliament and of the Council of 9 October 2013 laying down the Union Customs Code(46);
- (b) the reference to causing goods to be placed into free circulation is a reference to placing goods on the market, or putting them to private use or consumption, in Northern Ireland.”.

63. In regulation 17 (requirement to produce import document) —

(a) after paragraph (1), insert—

“(1A) A taxable person who is treated as having imported goods for the purposes of paragraph 4(3A) of Schedule 9ZB to VATA must provide the person to whom the goods are supplied with an invoice, to be known as an import document, containing the information specified in paragraph (4).”;

(b) in paragraph (4)—

(i) in sub-paragraph (g), for “removal.” substitute “removal unless a margin scheme is applied under section 50A of VATA(47).”;

(ii) after sub-paragraph (g), insert—

“(h) the name, address and registration number of the supplier;

(i) where a margin scheme is applied under section 50A of VATA, the reference “margin scheme: works of art”, “margin scheme: antiques or collectors’ items”, or “margin scheme: second hand goods” as appropriate.”.

64. In regulation 21 (entitlement of taxable persons to deduct input tax)—

(a) for “Where regulation 20 applies, a” substitute “A”;

(b) for “paragraph (4)” substitute “paragraph 4(3)”.

*James Morris
Michael Tomlinson*

Two of the Lords Commissioners for Her
Majesty’s Treasury

At 1.47 p.m. on 28th June 2021

(45) Paragraph 4(3A) is inserted by regulation 5(2)(a) of [S.I. 2021/714](#).

(46) OJ L 269, 10.10.2013 p. 1.

(47) Section 50A was inserted by section 24(1) of the Finance Act 1995 (c. 4); provisions in [S.I. 1992/3122](#) and [1995/1268](#) that were made under section 50A were amended by [S.I. 2020/1545](#) to make provision in respect of second-hand goods moving from Northern Ireland to Great Britain.

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 amend the Value Added Tax Act 1994 (“VATA”) to introduce a new zero rate and amend the Value Added Tax (Special Provisions) Order 1995 ([S.I. 1995/1268](#)) to limit the application of the margin scheme in certain cases.

They also amend various statutory instruments relating to value added tax (“VAT”) for the purpose of making changes that are appropriate in consequence of, or otherwise in connection with, the withdrawal of the United Kingdom from the EU, including changes to secondary legislation made in relation to the Protocol on Ireland/Northern Ireland agreed between the EU and the United Kingdom as part of the Withdrawal Agreement.

Regulation 1 provides for citation and commencement.

Regulations 2 to 4 amend Group 8 of Schedule 8 to VATA (zero rating: transport) to apply the zero rate of VAT to supplies of services for the handling of railway vehicles which are on, or being prepared for, an international journey and for handling or storing goods on those railway vehicles.

Regulations 5 and 6 amend the Value Added Tax (Terminal Markets) Order 1973 ([S.I. 1973/173](#)) to update cross-references to VAT legislation so that the references refer to the legislation as it now appears in Schedule 9ZA to VATA which was inserted by paragraph 2 of Schedule 2 to the Taxation (Post-transition Period) Act 2020 ([c. 26](#)) (“TPTPA”).

Regulations 7 to 9 amend the Value Added Tax (Imported Goods) Relief Order 1984 ([S.I. 1984/746](#)) to correct minor errors which do not obscure the legislative intent, but which ought to be corrected to avoid misleading readers.

Regulations 10 and 11 amend the Value Added Tax (Cars) Order 1992 ([S.I. 1992/3122](#)) to update a cross-reference to VAT legislation so that the reference refers to the legislation as it now appears in Schedule 9ZA to VATA.

Regulations 12 and 13 amend the Value Added Tax (Special Provisions) Order 1995 ([S.I. 1995/1268](#)) to ensure that the relief provided for in article 12 of that Order cannot apply in relation to imported goods that are treated as supplied in the United Kingdom as a result of section 7(5B) of VATA or in relation to certain supplies of goods that are treated as made by the operator of an online marketplace under section 5A of VATA (supplies where the goods are located in the United Kingdom but the supplier is established outside the United Kingdom).

Regulations 14 to 53 amend the Value Added Tax Regulations 1995 ([S.I. 1995/2518](#)).

Regulations 15 to 26, 28 to 35 and 48 to 53 update cross-references to VAT legislation so that the references refer to the legislation as it now appears in Schedules 9ZA and 9ZB to VATA (Schedule 9ZB was inserted by paragraph 2 of Schedule 2 to TPTPA).

Regulation 27 amends regulation 39 (calculation of returns) to allow the Commissioners for Revenue and Customs to specify additional requirements in relation to the completion of a return in a public notice and update the references to boxes and legends on the VAT return to reflect changes made following the United Kingdom’s departure from the EU.

Regulations 36 to 38 amend regulations 101, 109A and 110 to correct minor errors which do not obscure the legislative intent, but which ought to be corrected to avoid misleading readers.

Regulation 39 amends regulation 118 to update the references to the enactments that are excepted.

Regulations 40 and 41 amend Part 16 and regulations 44 and 45(a) amend Part 16ZA to ensure that certain reliefs do not apply to goods moving between Northern Ireland and Great Britain or vice versa to remove both the risk of double taxation and the risk that goods may be untaxed.

Regulations 45(b) and 46 amend regulations 133E and 133G to correct minor errors which do not obscure the legislative intent, but which ought to be corrected to avoid misleading readers.

Regulations 42, 43 and 47 amend Part 16ZA (importations, exportations and removals in respect of Northern Ireland) to make additional necessary provision in relation to importations, exportations and removals so far as concerning value added tax in respect of Northern Ireland that was previously contained in tertiary legislation.

Regulations 54 and 55 amend the Value Added Tax (Removal of Gas, Electricity, Heat and Cooling) Order 2010 (S.I. 2010/2925) to update cross-references to VAT legislation so that the references refer to the legislation as it now appears in Schedule 9ZB to VATA.

Regulations 56 to 58 amend the Value Added Tax (Accounting Procedures for Import VAT for VAT Registered Persons and Amendment) (EU Exit) Regulations 2019 (S.I. 2019/60) to provide that import VAT chargeable on the importation of relevant goods on or after 1st August 2021 that is accounted for in accordance with those regulations should, in the event of an overstatement or understatement, be adjusted in the manner prescribed for output tax by regulation 34 of the Value Added Tax Regulations 1995.

Regulations 59 to 64 amend the Value Added Tax (Northern Ireland) (EU Exit) Regulations 2020 (S.I. 2020/1546).

Regulations 60 and 61 make minor and consequential amendments to regulations 3 to 7.

Regulation 62 inserts a new regulation 6A to provide that where in the course of a removal from Great Britain to Northern Ireland goods are declared to a special customs procedure in an EU member State, the person who causes those goods to be released into free circulation is the person who is liable for the VAT on the removal. This is an exception to the rules in Schedule 9ZB to VATA.

Regulation 63 amends regulation 17 (requirement to produce import document) to be provided in certain circumstances and update the information that a taxable person who is required to produce an import document under regulation 17 of those Regulations must include in such a document.

Regulation 64 amends regulation 21 (entitlement of taxable persons to deduct input tax) to provide that a person who is liable for the VAT on the entry of goods into Northern Ireland (or Great Britain as the case may be) pursuant to paragraph 4(3) of Schedule 9ZB to VATA is not permitted to deduct that VAT as input tax.

Any public notice referred to in these Regulations will be made available on the www.gov.uk website as described in that link. Free of charge hard copies will be available on request from the HMRC helpline on 0300 200 3700 (+44 2920 501 2621 for outside the UK requests) or by writing to HM Revenue and Customs – VAT Written Enquiries Team, 123 St. Vincent Street, Glasgow City, Glasgow G2 5EA, United Kingdom.

A Tax Information and Impact Note covering this instrument will be published on the website at <https://www.gov.uk/government/collections/tax-information-and-impact-notes-tiins>