



Value Added Tax Act 1994

1994 CHAPTER 23

PART I

THE CHARGE TO TAX

^{F1} Importation of goods ...

Textual Amendments

- F1** Words in s. 15 cross-heading omitted (31.12.2020) by virtue of [Taxation \(Cross-border Trade\) Act 2018 \(c. 22\)](#), s. 57(3), [Sch. 8 para. 12](#) (with [Sch. 8 para. 99](#)) (with savings and transitional provisions in [S.I. 2019/105](#) (as amended by [S.I. 2020/1495](#), [regs. 1\(2\), 21](#)), [S.I. 2020/1545](#), [Pt. 4](#) and [2020 c. 26](#), [Sch. 2 para. 7\(7\)-\(9\)](#)); [S.I. 2020/1642](#), [reg. 4\(b\)](#) (with [reg. 7](#))

[^{F2}15 Meaning of “importation of goods” into the United Kingdom

- (1) This section determines for the purposes of this Act when, and by whom, goods are imported into the United Kingdom.
- (2) Goods are imported when they are declared for a Customs procedure under Part 1 of TCTA 2018.
- (3) But—
 - (a) in the case of goods declared under TCTA 2018 for a storage procedure, a transit procedure or an inward processing procedure, the goods are imported when a liability to import duty is, or on the relevant assumptions would be, incurred in respect of them under section 4 of that Act, and
 - (b) in the case of goods which are liable to forfeiture as a result of section 5(1) of, or paragraph 1(5) or 3(4) of Schedule 1 to, that Act (goods not presented to Customs or Customs declaration not made), the goods are imported when they become liable to forfeiture as a result of those provisions.

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- (4) Each person who is, or on the relevant assumptions would be, liable to import duty in respect of goods imported into the United Kingdom is a person who has imported the goods.
- (5) For the purposes of this section “the relevant assumptions” are—
- (a) an assumption that a liability to import duty at a nil rate is replaced by a liability to import duty at a higher rate, and
 - (b) an assumption that no relief from import duty is available.
- (6) If two or more persons are regarded as importing goods, those persons are jointly and severally liable to any VAT that is payable on the importation.
- (7) The preceding provisions of this section are to be ignored in reading any reference to importation or to an importer in anything applied for the purposes of this Act by section 16(1) or (2).
- (8) But subsection (7) does not apply so far as the context otherwise requires or provision to the contrary is contained in regulations under section 16(3).]

Textual Amendments

- F2** S. 15 substituted (31.12.2020) by [Taxation \(Cross-border Trade\) Act 2018 \(c. 22\)](#), **ss. 41(3)**, 57(3) (with savings and transitional provisions in [S.I. 2019/105](#) (as amended by [S.I. 2020/1495](#), **regs. 1(2)**, **21**), [S.I. 2020/1545](#), **Pt. 4** and [2020 c. 26](#), **Sch. 2 para. 7(7)-(9)**); [S.I. 2020/1642](#), **reg. 4(b)** (with [reg. 7](#))

Modifications etc. (not altering text)

- C1** S. 15 applied (with modifications) (1.4.2009) by [Finance Act 2008 \(c. 9\)](#), s. 113(2), **Sch. 36 para. 34(4)** (with [Sch. 36 para. 38](#)); [S.I. 2009/404](#), art. 2

[^{F3}16 Application of customs enactments

- (1) The provision made by or under—
- (a) the Customs and Excise Acts 1979 (as defined in the Management Act), and
 - (b) the other enactments for the time being having effect generally in relation to duties of customs and excise charged by reference to the importation of goods into the United Kingdom,
- apply (so far as relevant) in relation to any VAT chargeable on the importation of goods into the United Kingdom as they apply in relation to any duty of customs or excise.
- (2) The provision made by section 1(4) for VAT on the importation of goods to be charged and payable as if it were import duty is to be taken as applying, in relation to any VAT chargeable on the importation of the goods, the provision made by or under Part 1 of TCTA 2018.]

Textual Amendments

- F3** S. 16 substituted (31.12.2020) by [Taxation \(Cross-border Trade\) Act 2018 \(c. 22\)](#), s. 57(3), **Sch. 8 para. 13** (with [Sch. 8 para. 99](#)) (with savings and transitional provisions in [S.I. 2019/105](#) (as amended by [S.I. 2020/1495](#), **regs. 1(2)**, **21**), [S.I. 2020/1545](#), **Pt. 4** and [2020 c. 26](#), **Sch. 2 para. 7(7)-(9)**); [S.I. 2020/1642](#), **reg. 4(b)** (with [reg. 7](#))

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Modifications etc. (not altering text)

- C2** S. 16 restricted (31.12.2020) by [The Value Added Tax \(Northern Ireland\) \(EU Exit\) Regulations 2020 \(S.I. 2020/1546\)](#), regs. 1, **16** (with reg. 15); S.I. 2020/1641, reg. 2, Sch.
- C3** S. 16 restricted (31.12.2020) by [The Value Added Tax \(Northern Ireland\) \(EU Exit\) Regulations 2020 \(S.I. 2020/1546\)](#), regs. 1, **34** (with reg. 33); S.I. 2020/1641, reg. 2, Sch.
- C4** S. 16(2) modified (31.12.2020) by [The Value Added Tax \(Miscellaneous and Transitional Provisions, Amendment and Revocation\) \(EU Exit\) Regulations 2020 \(S.I. 2020/1495\)](#), regs. 1(2), **4-7**; S.I. 2020/1641, reg. 2, Sch.
- C5** S. 16(2) modified (31.12.2020) by [The Value Added Tax \(Accounting Procedures for Import VAT for VAT Registered Persons and Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/60\)](#), regs. 1, **3(3)** (with reg. 3(1)(2)) (as amended by S.I. 2020/1495, regs. 1(2), 20(3)); S.I. 2020/1641, reg. 2, Sch.
- C6** S. 16(2) modified (31.12.2021) by [The Customs and Value Added Tax \(Managed Transition Procedure\) \(EU Exit\) Regulations 2021 \(S.I. 2021/1375\)](#), regs. 1, **5(2)**
- C7** S. 16(2) restricted (1.4.2022) by S.I. 1995/2518, **reg. 121E(6)** (as inserted by [The Value Added Tax \(Enforcement Related to Distance Selling and Miscellaneous Amendments\) Regulations 2022 \(S.I. 2022/226\)](#), regs. 1, **28**)

F⁴16A Postal packets

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Textual Amendments

- F4** S. 16A omitted (1.8.2021) by virtue of [The Value Added Tax \(Miscellaneous Amendments and Repeals\) \(EU Exit\) Regulations 2021 \(S.I. 2021/714\)](#), regs. 1, **9** (as amended by S.I. 2021/779, regs. 1, 2)

17 Free zone regulations.

(1) This section applies in relation to VAT chargeable on the importation of goods ^{F⁵}...; and in this section “free zone” has the meaning given by section 100A(2) of the Management Act.

^{F⁶}(2)

(3) The Commissioners may by regulations (“free zone regulations”) make provision with respect to the movement of goods into, and the removal of goods from, any free zone and the keeping, securing and treatment of goods which are within a free zone, and subject to any provision of the regulations, “free zone goods” means goods which are within a free zone.

(4) Without prejudice to the generality of subsection (3), free zone regulations may make provision—

- (a) for enabling the Commissioners to allow goods to be removed from a free zone without payment of VAT in such circumstances and subject to such conditions as they may determine;
- (b) for determining where any VAT becomes payable in respect of goods which cease to be free zone goods—
 - (i) the rates of any VAT applicable; and
 - (ii) the time at which those goods cease to be free zone goods;

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- (c) for determining for the purpose of enabling VAT to be charged in respect of free zone goods in a case where a person wishes to pay that VAT notwithstanding that the goods will continue to be free zone goods, the rate of VAT to be applied; and
 - (d) permitting free zone goods to be destroyed without payment of VAT in such circumstances and subject to such conditions as the Commissioners may determine.
- (5) The Commissioners, with respect to free zone goods or the movement of goods into any free zone, may by regulations make provision—
- (a) for relief from the whole or part of any VAT chargeable on the importation of goods^{F7}... in such circumstances as they may determine;
 - (b) in place of, or in addition to, any provision made by section 6 or any other enactment, for determining the time when a supply of goods which are or have been free zone goods is to be treated as taking place for the purposes of the charge to VAT; and
 - (c) as to the treatment, for the purposes of VAT, of goods which are manufactured or produced within a free zone from other goods or which have other goods incorporated in them while they are free zone goods.

Textual Amendments

- F5** Words in s. 17(1) omitted (31.12.2020) by virtue of [Taxation \(Cross-border Trade\) Act 2018 \(c. 22\)](#), s. 57(3), [Sch. 8 para. 15\(2\)](#) (with Sch. 8 para. 99) (with savings and transitional provisions in S.I. 2019/105 (as amended by S.I. 2020/1495, regs. 1(2), [21](#)), S.I. 2020/1545, [Pt. 4](#) and 2020 c. 26, [Sch. 2 para. 7\(7\)–\(9\)](#)); S.I. 2020/1642, [reg. 4\(b\)](#) (with reg. 7)
- F6** S. 17(2) omitted (with effect in accordance with Sch. 15 para. 8 of the amending Act) by virtue of [Finance Act 2022 \(c. 3\)](#), [Sch. 15 para. 5](#)
- F7** Words in s. 17(5)(a) omitted (31.12.2020) by virtue of [Taxation \(Cross-border Trade\) Act 2018 \(c. 22\)](#), s. 57(3), [Sch. 8 para. 15\(4\)](#) (with Sch. 8 para. 99) (with savings and transitional provisions in S.I. 2019/105 (as amended by S.I. 2020/1495, regs. 1(2), [21](#)), S.I. 2020/1545, [Pt. 4](#) and 2020 c. 26, [Sch. 2 para. 7\(7\)–\(9\)](#)); S.I. 2020/1642, [reg. 4\(b\)](#) (with reg. 7)

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