
EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations make miscellaneous amendments and modifications to secondary legislation relating to excise duties and are made to ensure the effective operation of the law applying to excise duties on the withdrawal of the United Kingdom (“UK”) from the European Union (“EU”). Part 1 deals with the commencement of these Regulations, which will come into force on a day to be appointed by the Treasury by regulations under section 52(2) of the Taxation (Cross-border Trade) Act 2018 (c. 22).

Part 2 revokes the Excise Duty Point (External and Internal Community Transit Procedure) Regulations 1998 (S.I. 1998/202) and the Excise Duty Point (External and Internal Community Transit Procedure) (Amendment) Regulations 1998 (S.I. 1998/3110). The former Regulations (which are amended by the latter) establish an excise duty point on, and address the liability of persons for, irregularities in customs movements under the external and internal Community transit procedures. Those specific procedures will no longer apply on the UK's exit from the EU. The duty point and liability for breaches of customs transit procedures after exit will be addressed by the Excise Goods (Holding, Movement and Duty Point) Regulations 2010 (S.I. 2010/593), as amended on EU exit by the Excise Goods (Holding, Movement and Duty Point) (Amendment etc.) (EU Exit) Regulations 2019 (S.I. 2019/13) and by Part 4 of these Regulations. Transitional provision is made for applicable transit movements in progress on exit day.

Part 3 amends the Channel Tunnel (Alcoholic Liquor and Tobacco Products) Order 2010, which provides for the modified application of the Excise Goods (Holding, Movement and Duty Point) Regulations 2010 in the control zone for the Channel Tunnel (at Coquelles, the “control zone”). This Part updates those modifications to reflect changes to those Regulations on EU Exit. It also ensures that excise duty will be calculated in the same manner, and is subject to the same reliefs (on the same conditions), in the control zone as it would be at any other place of entry to the UK under any excise duty enactment. Transitional and saving provisions are made for movements in progress on exit day.

Part 4, chapter 1, further amends the Excise Goods (Holding, Movement and Duty Point) Regulations 2010, as previously amended for EU exit by S.I. 2019/13. Changes to the definitions of “place of importation”, “customs suspensive procedure or arrangement” and to the start of a movement of excise goods under a duty suspension arrangement are made in consequence of changes to customs legislation introduced under the Taxation (Cross-border) Trade Act 2018 and a minor omission in S.I. 2019/13 is corrected. The chapter also provides that the transitional and savings provisions made in Part 4 of S.I. 2019/13 apply to the amendments made in this chapter.

Part 4, chapter 2, makes modifications to the Excise Goods (Holding, Movement and Duty Point) Regulations 2010 in respect of excise goods imported into the United Kingdom on RoRo vehicles arriving at RoRo listed locations, or the control zone, to reflect changes made to customs procedures. A RoRo vehicle is a freight vehicle or trailer that is boarded onto a vessel or train. RoRo listed locations are locations where RoRo vehicles arrive in the UK and are listed in a notice published by HMRC in accordance with the Customs (Import Duty) (EU Exit) Regulations 2018 (S.I. 2018/1248).

Part 5 makes certain miscellaneous modifications and amendments to secondary legislation relating to excise duty. In particular, it makes a minor modification to the Tobacco Products Regulation 2001 (S.I. 2001/1712) for a 3 month period in the event that the UK leaves the EU without a deal on 29th March 2019. It also corrects a minor drafting error in the Excise Duties (Miscellaneous Amendments) (EU Exit) Regulations 2019 (S.I. 2019/14).

Changes to legislation: *There are currently no known outstanding effects for the The Excise Duties (Miscellaneous Amendments) (EU Exit) (No. 3) Regulations 2019. (See end of Document for details)*

This instrument will be covered by an overarching HMRC impact assessment (third 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>.

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