

**2020 No. 1431**

**EXITING THE EUROPEAN UNION**  
**CUSTOMS**

**The Customs (Reliefs from a Liability to Import Duty and  
Miscellaneous Amendments) (EU Exit) Regulations 2020**

*Made - - - -at 12.20 p.m. on 15th December 2020*

*Laid before the House of Commons 16th December 2020*

*Coming into force in accordance with regulation 1*

The Treasury, in exercise of the powers conferred by sections 24(3) and 26(1) of the Finance Act 2003<sup>(a)</sup> and sections 19, 23(3) and (7), 31(6), 32(7), (8), (10) and (13), 34(5), and 52(2) and (5) of, and paragraphs 3(5) and 6 of Schedule 1, paragraphs 3(1)(a), 6 and 10 of Schedule 6 and paragraph 1(3)(c) of Schedule 7 to, the Taxation (Cross-border Trade) Act 2018<sup>(b)</sup>, make the following Regulations.

The Treasury consider it appropriate in consequence of, or otherwise in connection with, the withdrawal of the United Kingdom from the European Union that the following Regulations come into force on such day as the Treasury may by regulations under section 52 of that Act appoint.

The Treasury consider it appropriate in consequence of, or otherwise in connection with, the withdrawal of the United Kingdom from the EU, to make provisions under section 52(5) of the Taxation (Cross-border Trade) Act 2018 in consequence of that Act.

**PART 1**

**Introduction**

**Citation and commencement**

**1.** These Regulations may be cited as the Customs (Reliefs from a Liability to Import Duty and Miscellaneous Amendments) (EU Exit) Regulations 2020 and come into force on such day as the Treasury may by regulations under section 52 of the Taxation (Cross-border Trade) Act 2018 appoint.

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(a) 2003 c. 14. Section 24 is cited for the meaning of “prescribed” and “relevant tax or duty”.

(b) 2018 c. 22. The Treasury is the appropriate Minister for the purposes of section 51(1) by virtue of section 51(4)(b).

## Interpretation

### 2.—(1) In these Regulations—

“the Act” means the Taxation (Cross-border Trade) Act 2018;

“claimant” means a person who makes a claim for relief;

“claim for relief” means a claim made in accordance with Part 3 or, where applicable, Part 4 that relief be granted in respect of goods;

“consignee” means a person to whom goods which have been imported are to be delivered as the final recipient of the goods;

“eligibility criteria” means criteria described in a section of the UK Reliefs document which must be met in order that a claim for relief under the section may be granted;

“Import Duty Regulations” means the Customs (Import Duty) (EU Exit) Regulations 2018(a);

“prior approval” means an eligibility criterion or a relief condition which requires that a relevant person—

(a) falls within a class of persons described in a section of the UK Reliefs document; or

(b) holds an approval which may be granted by HMRC;

“relevant person” means a claimant, a consignee, a transferee or person to whom goods are hired or loaned;

“relief” means full or partial relief from a liability to import duty;

“relief condition” means a condition described in a section of the UK Reliefs document which is expressed to apply to a relevant person where a claim for relief under the section is granted by HMRC;

“transferee” means a person, other than a claimant or consignee, who may use goods in respect of which a claim for relief has been, or may be, granted;

“UK Reliefs document” means the document entitled “United Kingdom Customs Tariff: Reliefs from Import Duty”, version 1.0 dated 8th December 2020(b) which includes sections that describe—

(a) cases where a claim for relief may apply, expressed by reference to—

(i) the goods to which the section applies;

(ii) the persons who may be a claimant or consignee for the purposes of the section; and

(iii) the eligibility criteria which apply for the purposes of the section;

(b) any relief conditions which apply for the purposes of the section; and

(c) whether relief is full or partial relief in any case.

(2) In these Regulations, a notice or notification means one made in writing and a requirement to notify is to be read accordingly.

(3) A notice published by HMRC under these Regulations may make different provision for different cases or different purposes.

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(a) S.I. 2018/1248, amended by S.I. 2019/108, 2019/326, 2019/486, 2019/1215, 2019/1346, 2020/967, 2020/1088, 2020/1234 and 2020/1449.

(b) Available electronically from <https://www.gov.uk/government/collections/customs-vat-and-excise-uk-transition-legislation-from-1-january-2021>. A person unable to access the document electronically may access it while government advice on social distancing and unnecessary travel applies, in hard copy free of charge on application to 07741835049, and otherwise by inspection free of charge at HMRC, 100 Parliament Street, London SW1A 2BQ.

## PART 2

### Application, claims, waivers, prior approvals and conditions

#### Reliefs – application to chargeable goods in Parts 2 to 6

- 3.—(1) Subject to paragraph (2), this Part and Parts 3 to 6 apply to chargeable goods where—
- (a) a Customs declaration is made in respect of the goods for the free-circulation procedure and the declaration is accepted; and
  - (b) a liability to import duty is incurred in respect of the goods.
- (2) This Part and Parts 3 to 6 do not apply to chargeable goods where—
- (a) a liability to import duty in respect of the goods is incurred by virtue of section 5(2) of the Act as a result of a relevant failure; and
  - (b) an HMRC officer is satisfied that the person who caused the relevant failure did so for the purposes of—
    - (i) avoiding, or enabling any other person to avoid, any Customs obligation that would have applied if the relevant failure had not occurred;
    - (ii) preventing a liability to import duty or charges being incurred by any person; or
    - (iii) preventing the application of any non-tariff trade policy measure or agricultural policy measure.
- (3) A relevant failure occurs where any of the following apply—
- (a) section 5(1) of the Act (goods not presented to Customs);
  - (b) paragraph 1(5) of Schedule 1 to the Act (Customs declaration not made within the 90 day period); or
  - (c) paragraph 3(4) of Schedule 1 to the Act (Customs declaration not made before goods are imported).
- (4) In this regulation—
- “agricultural policy measure” means a provision made by or under any enactment relating to the import and export of the goods specified at points (1), (2) and (3) of the document entitled “Sensitive Goods” published on 27 November 2018(a);
- “charges” means—
- (a) fees under Part 14 of the Import Duty Regulations;
  - (b) interest payable for late payment of import duty; and
  - (c) penalties under Part 3 of the Finance Act 2003;
- “Customs obligation” means any obligation or requirement imposed by or under—
- (a) the Act in relation to a duty of customs; or
  - (b) CEMA 1979(b);
- “non-tariff trade policy measure” means a provision made by or under any enactment relating to government policy in respect of international trade in goods, other than provisions relating to the amount of import duty.

#### Granting claims for relief

4. A claim for relief must be granted by HMRC if—

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(a) The document entitled “Sensitive Goods” is available at <https://www.gov.uk/government/publications/sensitive-goods> and a hard copy is available for inspection, free of charge, at the offices of HMRC at 100 Parliament Street, London, SW1A.

(b) “CEMA 1979” is defined in section 37(1) of the Act as the Customs and Excise Management Act 1979 (c. 2).

- (a) the claim is made by reference to a case described in a section of the UK Reliefs document;
- (b) the goods to which the claim relates are of a type which fall within the description of goods given in the section;
- (c) the person making the claim falls within the description of claimant given in the section;
- (d) where applicable, the claimant is not also the consignee of the goods and the consignee falls within the description of consignee given in the section; and
- (e) subject to regulation 5, the eligibility criteria of the section are met.

**Waiver of eligibility criteria**

**5.**—(1) HMRC may grant a claim for relief even where an eligibility criterion is not met if—

- (a) the criterion is described in the section of the UK Reliefs document as being subject to “exceptional waiver”; or
- (b) the criterion—
  - (i) is described in a section of the UK Reliefs document which is described as “Returned Goods Relief”; and
  - (ii) provides that the goods to which the section applies must be imported no more than 3 years after the date on which they were exported, and

HMRC consider that by reason of circumstances described in the relevant section of the UK Reliefs document, it would be reasonable to allow the criterion to be waived.

(2) A claimant may apply to HMRC for approval of a waiver in accordance with paragraph (1).

**Prior approvals: applications and transitional provision**

**6.**—(1) This regulation applies where a person is required to hold a prior approval granted by HMRC.

(2) The person may apply to HMRC for the prior approval to be granted.

(3) HMRC must grant the prior approval if the conditions set out in the section of the UK Reliefs document in relation to granting the approval are met.

(4) Paragraph (5) applies where—

- (a) HMRC issued an approval (“the EU approval”) in respect of a case (“the EU case”) of a relief from a liability to an EU customs duty;
- (b) the EU case is equivalent to a case for relief (“the UK case”) set out in a section of the UK Reliefs document; and
- (c) the EU approval is equivalent to a prior approval required for the purposes of the UK case.

(5) Subject to paragraph (6), a person who holds the EU approval is to be treated as a person who holds the prior approval required for the purposes of the UK case.

(6) Paragraph (5) does not apply if the person to whom the EU approval was granted does not satisfy the eligibility criteria which must be met by applicants for prior approval for the purposes of the UK case.

(7) A prior approval does not apply in relation to a claim for relief in relation to goods which were presented to Customs on import<sup>(a)</sup> more than one year before the grant of the approval.

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(a) Section 34(2) of the Act provides for the time at which goods are presented to Customs on import.

## **Relief conditions**

7.—(1) Where a section of the UK Reliefs document includes a relief condition, any claim for relief is granted subject to compliance with the condition by each person to whom the condition is described in the section as applying.

(2) Paragraphs (3) and (4) apply where—

- (a) a relief condition provides that the goods to which a section of the UK Reliefs document applies may not be transferred, hired or loaned without the approval of HMRC; and
- (b) the consignee intends to make such a transfer, hire or loan.

(3) The consignee may apply to HMRC for approval of the transfer, hire or loan.

(4) Where a relief condition would apply to a transferee or person to whom the goods are hired or loaned (“P”) if a transfer, hire or loan were approved, HMRC may approve the transfer, hire or loan subject to HMRC being satisfied that P is aware that P must comply with the relief condition.

(5) HMRC may require a person to whom a relief condition would apply if relief is granted to provide a guarantee to be drawn upon by HMRC in circumstances where a liability to import duty is incurred in consequence of a breach of the condition.

(6) Part 10 of the Import Duty Regulations applies to such a guarantee.

(7) Paragraph (8) applies where—

- (a) a relief condition is described in a section of the UK Reliefs document as being subject to “exceptional waiver or variation”; and
- (b) the person to whom the condition applies, or would apply, makes an application to HMRC for approval of a waiver or variation of the condition.

(8) HMRC may waive or vary the condition, as the case may be, if HMRC consider, that by reason of circumstances described in the relevant section of the UK Reliefs document, it would be reasonable to do so.

## **Applications for waivers, variations and prior approvals**

8. Regulations 85 to 91 of the Import Duty Regulations apply in relation to an application for approval of—

- (a) a waiver under regulation 5(2);
- (b) a prior approval under regulation 6(2);
- (c) a transfer, hire or loan under regulation 7(3);
- (d) a guarantee under regulation 7(5); and
- (e) a waiver or variation under regulation 7(7)(b).

## **PART 3**

### **General claims for relief**

#### **Making a claim**

9.—(1) A claim for relief in respect of goods may be made—

- (a) in the Customs declaration made in respect of the goods or at the same time as that declaration is made;
- (b) where applicable, in accordance with Part 4; or
- (c) at any time before the expiry of the period of 3 years beginning with the date on which notification is given by HMRC of the liability to import duty in respect of the goods.

(2) But no claim for relief may be made where a claim for the relief was previously made and determined.

(3) A claim must be made in the form and manner specified in a notice published by HMRC.

#### **Information and evidence in relation to claims**

**10.**—(1) Except where a claim is made in accordance with Part 4, a claim for relief must identify—

- (a) the case for relief relied upon which is described in a section of the UK Reliefs document;
- (b) the goods in respect of which the claim is made;
- (c) the claimant;
- (d) the consignee, if that person is different from the claimant; and
- (e) how any eligibility criteria applicable to the relief claimed are met.

(2) Identification of the goods must be made by way of providing the applicable classification code for the goods as set out in the customs tariff<sup>(a)</sup>.

(3) A claimant must provide evidence to support the matters in paragraph (1).

(4) A claim for relief is treated as not made unless the claimant also provides to the satisfaction of an HMRC officer evidence to support the matters in paragraph (1).

(5) Where a relief condition would apply to a relevant person if a claim for relief were granted, HMRC may require the claimant to provide to the satisfaction of an HMRC officer evidence to support how the relevant person intends to comply with the condition.

(6) HMRC may publish a notice setting out the evidence required in support of a claim.

#### **Notifications further to a claim for relief**

**11.**—(1) This regulation applies to a claim for relief other than a claim made under regulation 13 or 14.

(2) Notification of receipt of the claim for relief must be given by HMRC to the claimant—

- (a) as soon as practicable after the date on which HMRC receive the claim and the evidence required in support of the claim; and
- (b) in any event by no later than the expiry of the period of 30 days beginning with that date.

(3) Subject to regulation 15(2) and 16(2), notification that HMRC have determined to grant or refuse a claim for relief must be given to the claimant, and HMRC must do so—

- (a) in relation to a claim for partial relief or where HMRC have determined to refuse a claim, with the notification of liability to import duty in respect of the goods to which the claim relates, unless that notification of liability has been given before the date of the determination; and
- (b) as soon as practicable after the date on which notification is given under paragraph (2) and in any event by no later than the expiry of the period of 120 days beginning with that date.

(4) Reasons for a refusal must be given with the notification of the determination.

(5) Where HMRC fail to comply with paragraph (2) or (3), the claim is to be treated as refused.

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(a) “The customs tariff” is defined in section 8 of the Act.

## PART 4

### Special claims for relief

#### Goods imported by post

**12.**—(1) This regulation applies to goods imported by post where the outer packaging of the goods is marked to show clearly that relief may be applicable to the goods.

(2) HMRC must notify the recipient of the posted goods as soon as practicable after the goods are imported—

- (a) that relief may be applicable to the goods;
- (b) how a claim for relief may be made by the consignee; and
- (c) of the evidence required to support a claim.

(3) HMRC may publish a notice setting out—

- (a) the evidence required to support a claim; and
- (b) the type of marking on the outer packaging of goods which is sufficient to show clearly that a relief may be applicable to the goods contained within the packaging.

(4) Where HMRC determine to grant the relief claimed, notification of the grant is given by HMRC giving consent to the delivery of the goods to the consignee.

#### Goods where Customs declaration made orally

**13.**—(1) This regulation applies to chargeable goods in respect of which a Customs declaration is made orally, as provided for by regulation 17 of the Import Duty Regulations, in cases within regulations 18 and 19 of those Regulations.

(2) On making an oral declaration in accordance with regulation 17(3)(a) of the Import Duty Regulations, an individual is treated as making a claim for relief in respect of the chargeable goods.

(3) When an HMRC officer gives the information described in regulation 17(3)(b) of the Import Duty Regulations, HMRC are treated as granting the claim for relief.

(4) Where the claim is for partial relief, HMRC must give notification of liability to import duty in respect of the goods to which the claim relates with the information described in regulation 17(3)(b) of the Import Duty Regulations.

(5) Where an HMRC officer does not give the information described in regulation 17(3)(b) of the Import Duty Regulations—

- (a) the claim is treated as refused; and
- (b) HMRC must give a notification of the determination to refuse the claim with the notification of liability to import duty in respect of the goods to which the claim relates.

(6) Reasons for a refusal must be given with the notification of the determination.

#### Goods where Customs declaration made by conduct

**14.**—(1) This regulation applies to chargeable goods in respect of which a Customs declaration is made by conduct in accordance with regulation 24, 25, 26B or 26C(a) of the Import Duty Regulations.

(2) The individual is treated as making a claim for relief in respect of the chargeable goods, as the case may be—

- (a) on—

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(a) Regulations 24 and 25 are amended by S.I. 2019486, regulation 25 is amended by S.I. 2020/1234 and regulations 26B and 26C were inserted by S.I. 2019/1215.

- (i) entering the channel of a Customs office;
  - (ii) entering the lane past a Customs office;
  - (iii) disembarkation from the vessel;
  - (iv) entering the limits of the port; or
  - (v) loading goods, or allowing goods to be loaded, onto a vehicle, as described in regulations 24, 25 and 26B of the Import Duty Regulations; or
  - (b) in the case of a declaration by conduct in accordance with regulation 26C of those Regulations—
    - (i) where a report is made for the purposes of section 35 of CEMA 1979 (“a section 35 report”) before the aircraft arrives in the United Kingdom, on making the report; or
    - (ii) where a section 35 report is made after the aircraft arrives in the United Kingdom, on arrival in the United Kingdom.
- (3) HMRC are treated as granting the claim for relief on, as the case may be—
- (a) the individual exiting the channel;
  - (b) the individual exiting the lane;
  - (c) in the case of conduct in accordance with regulation 25(3A)(a) of the Import Duty Regulations, the individual driving the vehicle across the boundary of the RoRo listed location, or the individual allowing himself or herself to be carried in the vehicle which is so driven;
  - (d) in the case of conduct in accordance with regulation 26B of those Regulations, the completion of the procedure for making a report under regulation 6 of the Pleasure Craft (Arrival and Report) Regulations 1996(b);
  - (e) in the case of conduct in accordance with regulation 26C of those Regulations—
    - (i) where a section 35 report is made before the aircraft arrives in the United Kingdom, arrival of the aircraft in the United Kingdom; or
    - (ii) where a section 35 report is made after the aircraft arrives in the United Kingdom, the report being made;
  - (f) in the case of conduct in accordance with regulation 25(3B)(c) of those Regulations, the individual driving the vehicle across the boundary of the other listed location, or the individual allowing himself or herself to be carried in the vehicle which is so driven,
- unless a notification is given by HMRC in accordance with paragraph (4).
- (4) Notification that HMRC have determined to refuse the claim for relief must be given—
- (a) before, as the case may be—
    - (i) the claimant has exited the channel;
    - (ii) the claimant has exited the lane;
    - (iii) the claimant has crossed the boundary;
    - (iv) the procedure referred to in paragraph (3)(d) has been completed; or
    - (v) the relevant event referred to in paragraph (3)(e) has occurred; and
  - (b) with the notification of liability to import duty in respect of the goods to which the claim relates.
- (5) Reasons for a refusal must be given with the notification of the determination.

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(a) Regulation 25(3A) was inserted by S.I. 2019/486.  
 (b) S.I. 1996/1406.  
 (c) Regulation 25(3B) was inserted by S.I. 2020/1234.



### **Goods where an advance electronic declaration is made - personal gifts and non-commercial goods**

**15.**—(1) This regulation applies to chargeable goods in respect of which a claim for relief is made in an advance electronic declaration made in accordance with regulation 39 of the Import Duty Regulations.

(2) Subject to paragraph (4), HMRC are treated as granting the claim for relief on the claimant, as the case may be—

- (a) exiting the channel of a Customs office;
- (b) exiting the lane past a Customs office; or
- (c) crossing the boundary of the RoRo listed location or the other listed location,

as described in regulation 39(3), (9) or (11) of the Import Duty Regulations<sup>(a)</sup>, unless a notification is given by HMRC in accordance with paragraph (3) and no notification that HMRC have determined to grant the claim for relief is required to be given to the claimant.

(3) Notification that HMRC have determined to refuse the claim for relief must be given—

- (a) before the claimant has, as the case may be—
  - (i) exited the channel;
  - (ii) exited the lane; or
  - (iii) crossed the boundary; and
- (b) with the notification of liability to import duty in respect of the goods to which the claim relates.

(4) Where regulation 39(5) of the Import Duty Regulations (goods delayed in transit) applies, HMRC are treated as granting the claim for relief at the time the HMRC officer is satisfied that the goods have been presented to Customs on import unless a notification that HMRC have determined to refuse the claim is given with the notification of liability to import duty in respect of the goods to which the claim relates.

(5) Reasons for a refusal must be given with the notification of the determination.

### **Goods where an advance declaration is made – other chargeable goods**

**16.**—(1) This regulation applies to chargeable goods in respect of which a claim for relief is made in an advance declaration made in accordance with regulation 39B of the Import Duty Regulations.

(2) HMRC are treated as granting the claim for relief when HMRC notify the claimant under paragraph 11(1) of Schedule 1 to the Act and no notification that HMRC have determined to grant the claim for relief is required to be given to the claimant.

## **PART 5**

### **Repayment**

#### **Repayment of import duty**

**17.**—(1) Where—

- (a) a claim for relief is granted in respect of goods; and
- (b) a person has paid a liability to import duty in respect of the goods before the claim is granted,

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(a) Regulation 39(9) was inserted by S.I. 2019/486 and regulation 39(11) was inserted by S.I. 2020/1234.

HMRC must, when notification of the grant is given, repay the person the amount of relief granted.

(2) Paragraph (3) applies where—

- (a) a period of 30 working days has expired since the date that a notification of the grant is given;
- (b) HMRC have failed to repay some or all of the import duty required to be repaid; and
- (c) that failure is substantially the fault of HMRC.

(3) HMRC must pay interest at the applicable rate on the amount unpaid for the period—

- (a) beginning with the day after the date on which the period mentioned in paragraph (2)(a) expires; and
- (b) ending with the date on which the amount is paid in full.

(4) In this regulation—

- (a) “the applicable rate” means the rate of interest provided by regulations for the purposes of section 197(2)(f) of the Finance Act 1996(a);
- (b) “working day” means any day except—
  - (i) a Saturday or Sunday;
  - (ii) Good Friday or Christmas day; or
  - (iii) a bank holiday within the meaning of section 1 of the Banking and Financial Dealings Act 1971(b), including those bank holidays in part only of the United Kingdom.

## PART 6

### Breach of conditions

#### Notification of breach of conditions

**18.**—(1) Paragraph (2) applies where—

- (a) a claim for relief is granted and a relief condition applies to a person; and
- (b) a breach of the condition occurs.

(2) The person must—

- (a) notify HMRC as soon as practicable of details of the breach, including when it occurred or first commenced to occur; and
- (b) make the notification in such form and accompany it with such additional information or documentation as HMRC may provide by notice.

#### Liability to import duty on a breach of a condition

**19.**—(1) Where a claim for relief is granted in respect of goods and a person breaches a relief condition which applies, the person is liable to import duty in respect of the goods.

(2) Paragraph (3) applies for the purposes of determining the date (“the relevant date”)—

- (a) on which the liability arises; and
- (b) by reference to which the applicable rate of import duty is to be determined.

(3) The relevant date is—

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(a) 1996 c. 8. At the time these Regulations are made, the rate is provided by regulation 5(1)(e) of S.I. 1998/1461 as 5% per annum. Regulation 5 was substituted by S.I. 2000/631 and regulation 5(1)(e) amended by S.I. 2003/230.

(b) 1971 c. 80.

- (a) the date stated in the notification required to be made under regulation 18(2) as the date on which the breach occurred or first commenced to occur; or
  - (b) where—
    - (i) details of the breach are not notified to HMRC as required; or
    - (ii) HMRC are not satisfied with the details notified,
 the date which HMRC reasonably consider is the date that the breach occurred or first commenced to occur.
- (4) It is to be presumed that the person is notified of the liability on the relevant date.

## PART 7

### Authorised use

#### **Lower rate of import duty - goods declared for an authorised use procedure**

- 20.**—(1) Paragraph (2) applies to chargeable goods where—
- (a) a Customs declaration is made in respect of the goods for an authorised use procedure and the declaration is accepted;
  - (b) the goods are of a type described in the authorised use rates document; and
  - (c) a liability to import duty is incurred in respect of the goods.
- (2) Subject to paragraph (3), the rate of import duty which applies to the goods is that which is stated as applicable to the goods in the authorised use rates document which must be lower than the applicable rate in the customs tariff in its standard form.
- (3) Paragraph (2) does not apply where the rate of import duty which would apply by virtue of that paragraph is higher than the rate which would apply by virtue of any provision made under any of sections 9 to 15 of the Act.
- (4) In this regulation, “authorised use rates document” means the document entitled “Authorised Use: Eligible goods and rates”, version 1.0 dated 14th December 2020(a).

## PART 8

### Consequential amendments

#### **Amendment of the Customs (Contravention of a Relevant Rule) Regulations 2003**

- 21.**—(1) The Schedule to the Customs (Contravention of a Relevant Rule) Regulations 2003(b) is amended as follows.
- (2) Under the heading “reliefs”(c) after the entry for “CTC, TIR and UK Transit(d)” insert—

“The Customs (Reliefs from a Liability to Import Duty and Miscellaneous Amendments) (EU Exit) Regulations 2020

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- (a) Available electronically from <https://www.gov.uk/government/collections/customs-vat-and-excise-uk-transition-legislation-from-1-january-2021>. A person unable to access the document electronically may access it while government advice on social distancing and unnecessary travel applies, in hard copy free of charge on application to 07741835049, and otherwise by inspection free of charge at HMRC, 100 Parliament Street, London SW1A 2BQ.
  - (b) S.I. 2003/3113 amended by S.I. 2009/3164, 2011/2534, 2015/636, 2018/483, 2018/1260, 2019/148, 2020/1234. There are other amending instruments, but none is relevant.
  - (c) As inserted by regulation 5(23) of S.I. 2018/1260.
  - (d) As inserted by regulation 5(24) of S.I. 2018/1260.

<p>Regulation 7(1) Requirement to comply with a relief condition contained in the section of the UK Reliefs document (as defined in regulation 2(1) of the Customs (Reliefs from a Liability to Import Duty and Miscellaneous Amendments) (EU Exit) Regulations 2020) in relation to which a claim for relief is granted.</p>	<p>The person to whom the described condition is stated to apply.</p>	<p>£1,000.</p>
<p>Regulation 18 Where a claim for relief is granted and a relief condition applies to a person, if a breach of the condition occurs, the person must notify HMRC as soon as possible of details of the breach including when it occurred or first commenced to occur and make the notification in such form and accompany it with such additional information as HMRC may provide by notice.</p>	<p>The person required to make the notification.</p>	<p>£2,500.”</p>

### **Amendment of the Import Duty Regulations**

22.—(1) The Import Duty Regulations are amended as follows.

(2) In regulation 14 (interpretation (declarations)), in the appropriate place insert—

““UK Reliefs document” has the same meaning as it has in the Customs (Reliefs from a Liability to Import Duty and Miscellaneous Amendments) (EU Exit) Regulations 2020.”

(3) In regulation 19 (free-circulation procedure: miscellaneous goods)—

(a) for “a relief” substitute “full relief”; and

(b) at the end insert—

“by virtue of the case described in section 8 (agriculture and animals) or section 37 (returned goods relief) of the UK Reliefs document”.

(4) In regulation 24(1) (free-circulation procedure: baggage, musical instruments and other goods)—

(a) for “a relief” substitute “full relief”; and

(b) at the end insert—

“by virtue of any of the following cases described in the UK Reliefs document—

(a) section 8 (agriculture and animals);

(b) section 37 (returned goods relief);

(c) section 42 (relief for non-commercial goods and personal gifts); or

(d) section 43 (relief for non-commercial goods and personal gifts: flat rate or blended rate)”.

(5) In regulation 25 (free-circulation procedure: miscellaneous goods)—

(a) in paragraph (1)—

(i) for “a relief” substitute “full relief”; and

(ii) at the end insert—

“by virtue of any of the following cases described in the UK Reliefs document—

- (a) section 8 (agriculture and animals);
  - (b) section 37 (returned goods relief);
  - (c) section 42 (relief for non-commercial goods and personal gifts); or
  - (d) section 43 (relief for non-commercial goods and personal gifts: flat rate and blended rate)”; and
- (b) in paragraph (1B)(b)—
- (i) for “a relief” substitute “full relief”; and
  - (ii) at the end insert—
- “by virtue of any of the following cases described in the UK Reliefs document—
- (i) section 8 (agriculture and animals);
  - (ii) section 37 (returned goods relief);
  - (iii) section 42 (relief for non-commercial goods and personal gifts); or
  - (iv) section 43 (relief for non-commercial goods and personal gifts: flat rate and blended rate)”; and
- (c) in paragraph (1BB)(b)—
- (i) for “a relief” substitute “full relief”; and
  - (ii) at the end insert—
- “by virtue of any of the following cases described in the UK Reliefs document—
- (i) section 8 (agriculture and animals);
  - (ii) section 37 (returned goods relief);
  - (iii) section 42 (relief for non-commercial goods and personal gifts); or
  - (iv) section 43 (relief for non-commercial goods and personal gifts: flat rate and blended rate)”.

(6) In regulation 26B(1) (free-circulation procedure: pleasure craft) at the end insert “by virtue of the case described in section 37 of the UK Reliefs document (returned goods relief)”.

(7) In regulation 26C(1)(b) (free-circulation procedure: private aircraft) at the end insert “by virtue of the case described in section 37 of the UK Reliefs document (returned goods relief)”.

(8) In regulation 26D(1)(c) (free-circulation procedure: goods imported at other listed locations)—

- (a) for “a relief” substitute “full relief”;
- (b) at the end insert—

“by virtue of the case described in section 8 (agriculture and animals) or section 37 (returned goods relief) of the UK Reliefs document”.

(9) In regulation 39B(a) (voluntary advance declarations by qualifying travellers: other chargeable goods)—

- (a) in paragraph (1)(e)(b), at the end insert “unless paragraph (1A) applies”.
- (b) after paragraph (1) insert—

“(1A) This paragraph applies where—

- (a) at the time of import a relief from import duty is available in respect of the goods to that individual or the person on whose behalf the declaration is made by virtue of the case described in section 48 (single flat rate of import duty for commercial goods carried in accompanied baggage or a small motor vehicle) of the UK Reliefs document; and

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(a) Regulation 39B is prospectively inserted by S.I. 2019/486.

(b) Paragraph (1)(d) was substituted by S.I. 2019/1215.

- (b) the claim for relief being made in respect of the goods only relates to the relief described in sub-paragraph (a).”.

### **Amendment of the Customs (Crown Dependencies Customs Union) (EU Exit) Regulations 2019**

**23.**—(1) The Customs (Crown Dependencies Customs Union) (EU Exit) Regulations 2019(a) are amended as follows.

(2) In regulation 2 (Isle of Man: modifications of UK customs provisions), for “6” substitute “6A”.

(3) After regulation 6 (modification of the Customs (Export) (EU Exit) Regulations 2019), insert—

“**6A.**—(1) The Customs (Reliefs from a Liability to Import Duty and Miscellaneous Amendments) (EU Exit) Regulations 2020 are modified as follows.

(2) Subject to paragraph (3), for the purposes of those Regulations, references to the “United Kingdom” or the “UK” in the UK Reliefs document are to be read as including references to the Isle of Man.

(3) Paragraph (2) does not apply to any references to the “United Kingdom” or the “UK” in the UK Reliefs document which are specified in a notice published by HMRC.

(4) HMRC may publish a notice specifying references in the UK Reliefs document for the purposes of paragraph (3).

(5) In this regulation, “UK Reliefs document” has the meaning given by regulation 2 of the Customs (Reliefs from a Liability to Import Duty and Miscellaneous Amendments) (EU Exit) Regulations 2020.”.

### **Amendment of the Customs (Bulk Customs Declaration and Miscellaneous Amendments) (EU Exit) Regulations 2020**

**24.**—(1) The Customs (Bulk Customs Declaration and Miscellaneous Amendments) (EU Exit) Regulations 2020(b) are amended as follows.

(2) In regulation 2 (interpretation) after the definition of “postal packet” insert—

““UK Reliefs document” has the same meaning as in regulation 2 of the Customs (Reliefs from a Liability to Import Duty and Miscellaneous Amendments) (EU Exit) Regulations 2020;”.

(3) In regulation 5 (the bulk Customs declaration process) for paragraph (2)(b) substitute—

“(b) at the time of import, full relief from import duty is available for all the goods contained in each postal packet by virtue of the case described in section 5 of the UK Reliefs document (consignments containing goods of negligible value);”.

*David Rutley*  
*Maggie Throup*

At 12.20 p.m. on 15th December 2020  
Treasury

Two of the Lords Commissioners of Her Majesty’s  
Treasury

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(a) S.I. 2019/385. There are amending instruments, but none is relevant.

(b) S.I. 2020/967.

## **EXPLANATORY NOTE**

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

The Regulations are made by the Treasury further to Part 1 of the Taxation (Cross-border Trade) Act 2018 (c. 22) (“the Act”). This is an EU Exit statutory instrument. The Regulations make provision for relief from a liability to import duty by reference to a document entitled “United Kingdom Customs Tariff: Reliefs from Import Duty”, version 1.0 dated 8th December 2020.

### **Part 1 (introductory provisions)**

Part 1 provides for citation and commencement and definitions used in the Regulations. The Regulations will be brought into force by way of a separate statutory instrument made under section 52 of the Act.

### **Part 2 (application, claims, waivers, prior approvals and conditions)**

Part 2 makes provision for the application of Parts 2 to 6 to chargeable goods declared for the free circulation procedure; when HMRC can grant a claim, including where an eligibility criterion is not met; prior approvals granted by HMRC, including transitional provisions in relation to approvals granted in respect of relief from a liability to an EU customs duty; the application of relief conditions, including the waiver or variation of a condition; the application of approval provisions in the Customs (Import Duty) (EU Exit) Regulations 2018 (S.I. 2018/1248: “the Import Duty Regulations”).

### **Part 3 (general claims for relief)**

Part 3 makes general provision in relation to making a claim for relief, the information and evidence to be given in relation to a claim and notifications to be given by HMRC on receipt of a claim.

### **Part 4 (special claims for relief)**

Part 4 makes special provision for claims for relief in relation to goods imported by post, goods in relation to which a Customs declaration is made orally or by conduct and where a claim is made in an advance electronic declaration.

### **Part 5 (repayment)**

Part 5 makes provision for the repayment of import duty where a claim for relief is granted.

### **Part 6 (breach of conditions)**

Part 6 makes provision for notification of a breach of a relief condition and for liability to import duty on breach of a relief condition.

### **Part 7 (authorised use)**

Part 7 makes provision for a lower rate of import duty to apply in relation to goods declared for an authorised use procedure. The rate is set out in a document entitled “Authorised Use: Eligible goods and rates”, version 1.0 dated 14th December 2020.

### **Part 8 (consequential amendments)**

Part 8 makes consequential amendments in relation to reliefs.

Regulation 21 amends the Schedule to the Customs (Contravention of a Relevant Rule) Regulations 2003 (S.I. 2003/3113) to impose penalties for breaches of regulation 7 and 17 of these Regulations.

Regulation 22 amends the Import Duty Regulations 2018. Regulation 14 is amended to insert a reference to the UK Reliefs document. Regulations 19, 24 and 25 are amended to restrict cases where an oral or by conduct declaration can be made to specific cases where full relief from import duty is available.

Regulation 23 amends the Customs (Crown Dependencies Customs Union) (EU Exit) Regulations 2019 (S.I. 2019/385) to extend relief provisions to the Isle of Man.

Regulation 24 amends the Customs (Bulk Customs Declaration and Miscellaneous Amendments) (EU Exit) Regulations 2020 (2020/967). Regulation 2 is amended to insert a reference to the UK Reliefs document. Regulation 5(2) is amended to restrict cases where a bulk Customs declaration can be made to specific cases where full relief from import duty is available.

The notices referred to in regulations 9, 10, 12 and 18, and in amendments made by regulation 23, will be published at <https://www.gov.uk/government/collections/customs-vat-and-excise-uk-transition-legislation-from-1-january-2021>. A person unable to access the notices electronically may access them, while government advice on social distancing and unnecessary travel applies, in hard copy by post free of charge on application to 07741835049, and otherwise by inspection free of charge at HMRC, 100 Parliament Street, London SW1A 2BQ.

This instrument is one of a group of instruments covered by an overarching Tax Information and Impact Note (TIIN). The TIIN primarily focusses on the Customs Tariff (Establishment) (EU Exit) Regulations 2020 and will be available in due course at: <https://www.gov.uk/government/collections/tax-information-and-impact-notes-tiins>.

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