

Tax help series

Importing and exporting goods - what you need to know

If you are thinking about bringing in goods to the UK from outside the European Union (EU) or sending goods to non-EU countries, you'll need to know what procedures you'll have to follow, and what charges and duties you'll need to pay.

Here we tell you about:

- what we mean by importing and exporting
- using an agent
- what you need to do
- how to complete the forms
- charges and payment
- shopping on the internet
- what records you need to keep
- where to get more help.

What we mean by 'importing' and 'exporting'

- You 'import' when you bring goods or products into the UK from outside the European Union for personal or business purposes.
- You 'export' when you send goods or products from the UK to outside the European Union.

For further information and an up to date list of the European Union countries, go to www.businesslink.gov.uk/internationaltrade

Using an agent

The regulations and paperwork for importing and/or exporting goods can seem complicated, so many people use an agent. If you employ an agent as:

- a direct representative the agent will make the Customs declaration on your behalf acting in your name. You are regarded as the 'declarant' and you are therefore liable for any Customs debt.
- an indirect representative, they'll make the declaration in their name and they are therefore regarded as the declarant. In this case there is joint liability for any Customs debt.

You should take particular care to check the accuracy of any Customs declarations made on your behalf. We recommend that you get copies of all your import and export declarations (form C88) and check these against your own invoices to establish that the goods have been declared properly.

What you need to do

Before you can export or import, you need to get an Economic Operator Registration and Identification number (EORI). For information on the EORI, how to apply, and for a copy of the application form, go to <http://customs.hmrc.gov.uk/eorischeme> Submit the form by email to eori@hmrc.gsi.gov.uk

If you are importing or exporting goods, you must make a full declaration by completing the 'Single Administration Document' (SAD) form, known as form C88.

If you need help

For help and advice on international trade phone VAT, Excise & Customs helpline on **0845 010 9000**. Open from Monday to Friday 8am to 8pm. Customers with hearing difficulties can phone the Textphone service on **0845 000 0200**.

Customers with particular needs

If you need extra help, please let us know. For example, if:

- English is not your first language
- you would like us to use a certain format to communicate with you, for example, Braille or Text Relay. If you use Text Relay by
 - textphone, dial **18001** + number
 - phone, dial **18002** + number
- you would like us to visit you at home because it is difficult for you to get to one of our offices.

What if you are unhappy with our service

If you are unhappy with our service, please contact the person or office you have been dealing with. They will try to put things right. If you are still unhappy, they will tell you how to complain. Our factsheet *C/FS Complaints*, also tells you how to make a complaint. You can get a copy of this from our website. Go to www.hmrc.gov.uk and look for C/FS within the search facility or under the *quick links* menu select *Complaints & Appeals*.

Your rights and obligations

Your charter explains what you can expect from us and what we expect from you. For further information please go to www.hmrc.gov.uk and under *Quick links* select *Your Charter*.

Importing

Once an import declaration is submitted and accepted by us, the goods are not released until the required duties or taxes have been paid. Every entry is issued with a unique 'Entry Number' and you will be given the 'Entry Acceptance Advice' which is your record that we have input and accepted your declaration.

Exporting

You complete a full export declaration on the 'Single Administration Document' (SAD) and present it with the goods at the office of export. This is called 'pre-shipment declaration'. You do this electronically using the National Export System (NES).

For further information on these procedures, go to:

- Notice 501 (import procedures) <http://customs.hmrc.gov.uk/notice501>
- Notice 275 (export procedures) <http://customs.hmrc.gov.uk/notice275>

How to complete the forms

When you complete the SAD (form C88) there are a number of codes and numbers you have to use:

- Commodity code. This is a 10 digit number used to describe imports or an 8 digit number for exports. Every item has a code number. To find out the commodity code, you will need to use volume 2 of the 'The Tariff'. If you do not have access to the Tariff you can get details of the commodity codes and duty rates at www.businesslink.gov.uk/uktradetariff
Put this code in Box 33 of the form. It is essential that you use the right code. If you are unsure, or have any queries, contact the Tariff Classification service on **01702 366077**.
- Customs Procedure Code (CPC). This seven character code describes the purpose of your shipment and tells us about the duty to be paid on the goods. This may be
 - goods imported into the EU and staying there
 - goods exported from the EU and remaining outside.You can find the codes in volume 3 of the Tariff. Put this code in Box 37 of the form.
- Valuation for import charges. You must give a complete and accurate value of the importation so that the right customs duty and import VAT are charged. This must include
 - cost of items
 - insurance
 - freight charges to the EU.

For further information, go to <http://customs.hmrc.gov.uk/notice252>

Charges and payments

Importing goods can incur a number of different charges (depending on the type of item) including:

- customs duty
- import VAT
- excise duty
- anti-dumping duty
- Common Agricultural Policy (CAP) charges.

Charges are usually due at the point when the import is accepted by Customs. The usual method of payment is by 'Deferment Account'. For more information go to www.businesslink.gov.uk/deferredtax

Payment can also be made by cheque, bankers draft, BACS or CHAPS.

Your tax obligations

For a useful and simple interactive tool that'll help you understand your tax obligations when importing or exporting, go to www.businesslink.gov.uk/internationaltrade

The Tariff

Volume 3 of the Tariff contains a guide on how to complete the forms and is generally available at libraries.

For information about accessing the online Integrated Tariff, including an online demonstration, go to www.uk-customs-tariff.com

Export controls and licences

For information on export controls and licences, go to www.businesslink.gov.uk/exportcontrols

National Export System helpline

029 2032 6371.

Tariff Classification service helpline

01702 366 077.

Shopping on the internet

When purchasing goods via the internet, you should be aware that in most cases you will have to pay:

- customs duty if the value of the goods is over £135 and the amount of duty is £9 or more
- import VAT if the value of the goods is £18 or over
- excise duty for goods such as alcohol and tobacco.

The Post Office or courier company will generally collect these charges directly from you on delivery. For more information, go to www.businesslink.gov.uk/postalimportexport and to hear a podcast, go to www.hmrc.gov.uk/internetshoppingpodcast

What records you need to keep

You must keep records of any international trading activity. You should have complete and accurate records of any Customs declarations you have made showing:

- the correct value of the goods
- the origin of the goods
- classification of the goods

You should also keep supporting documents relating to import or export of goods, such as:

- original orders, invoices and delivery notes
- credit and debit notes
- all import and/or export documents
- records of payment or receipts
- journals or ledgers
- bills of landing, airway bills and certificates of shipment.

Usually you need to retain these records for four years. However, any documents that form part of your records for VAT should be kept for six years.

For general information about keeping business records, see the factsheet Keeping records for business - what you need to know at www.hmrc.gov.uk/factsheet/record-keeping.pdf or use the interactive tool at www.businesslink.gov.uk/recordkeepingcheck

Further information

A useful HMRC guide, A guide to importing and exporting - breaking down the barriers' is available at <http://customs.hmrc.gov.uk/importexport>

You can get more detailed information on the tax obligations when importing and exporting at www.businesslink.gov.uk/internationaltrade

We also provide seminars for businesses that trade or are about to trade with countries outside the European Union. We explain import and export procedures and highlight the various regimes which may save you time and money. To find out more or to book an event, go to www.hmrc.gov.uk/bst/index.htm or phone **0845 603 2691**.

Where to get more help

For a useful and simple interactive tool that'll help you understand your tax obligations when importing or exporting, go to www.businesslink.gov.uk/internationaltrade

For general business advice and access to services and support, go to UK trade and Investment at www.ukti.gov.uk/home.html

For a wide range of services and training to support business, go to British Chambers of Commerce at www.britishchambers.org.uk

These notes are for guidance only and reflect the position at the time of writing. They do not affect any right of appeal.
Customer Information Team
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