



HM Revenue
& Customs

Dear [customer],

This letter is for advice and guidance only. You do not need to call HMRC.

Changes to the way you trade with the European Union

The United Kingdom will be leaving the EU, including the Customs Union, at 11pm (UK time) on 29 March 2019.

The UK government has reached agreement with the EU on the vast majority of withdrawal issues, including the terms of an implementation period after the UK leaves the EU. Full agreement on this will mean that trading with the EU during the implementation period will broadly stay the same from the end of March 2019 until 31 December 2020.

The government is also focused on securing a future partnership with the EU following the end of the implementation period. The recent White Paper 'The future relationship between the United Kingdom and EU' set out details of this.

However, government continues to prepare for all scenarios, including the unlikely outcome that the UK leaves the EU at the end of March 2019 without a deal.

In the event of No Deal, the government is committed to prioritising stability for businesses. We will continue work closely with industry to ensure that interventions in a no deal scenario are conducted in a way which minimises delays and additional burdens for legitimate trade, while robustly ensuring compliance. The approach of continuity does not mean that everything will stay the same, but the priority is maximising stability at the point of departure.

What leaving the EU without a deal on 29 March 2019 would mean for you

The information from your VAT registration shows that:

- you're a trader in Northern Ireland currently importing and/or exporting goods within the EU
- you do not currently trade with non-EU countries.

If you trade in goods across the land border between Northern Ireland and Ireland

The UK government has consistently placed upholding the Belfast Agreement and its successors at the centre of its approach to leaving the EU. The government is committed to avoiding a hard border between Northern Ireland and Ireland.

If we leave the EU without a deal in March 2019, the UK would stand ready to engage constructively to meet these commitments and act in the best interests of the people of Northern

Ireland, recognising the challenges that the lack of a UK-EU legal agreement would pose in this unique context. This would include engagement on arrangements for land border trade.

We will update you on the UK's different customs arrangements and any actions you may need to take in due course.

The Irish Government have indicated they would need to discuss arrangements in the event of no deal with the European Commission and EU Member States. We would recommend that, if you trade across the land border, you should also consider any advice issued by the Irish Government about preparations you need to make, in addition to the guidance set out by the UK government.

If you trade in goods with EU countries (including Ireland) other than across the land border between Northern Ireland and Ireland

If we leave the EU without a deal in March 2019, there would be immediate changes to the way UK businesses trade with the EU that may impact on your business. This includes:

- UK businesses having to apply customs, excise and VAT procedures to goods imported from the EU, in the same way that they currently do for goods imported from outside of the EU
- Trading partners in the EU having to apply customs, excise and VAT procedures to goods they receive from you, in the same way that they currently do for goods received from outside of the EU.

In particular, if your business currently trades only with the EU then you would have to start completing customs declarations from March 2019; and customs checks would apply to your business for the first time.

What you should do to get ready

While no changes will be made before 29 March 2019, you may wish to use the coming months to understand more about what leaving the EU without a deal would mean for you.

The steps and obligations that you may need to take to continue to trade with the EU, other than at the land border, if the UK leaves without a deal are broadly the same as those that apply to businesses that trade with countries outside of the EU.

You can find information on how to trade with countries outside of the EU on GOV.UK. It covers customs procedures, excise rules and VAT when importing or exporting goods outside the EU.

- Importing from non-EU countries: www.gov.uk/importoutsideEU
- Exporting goods outside the EU: www.gov.uk/exportoutsideEU

The government has published a number of technical notices on GOV.UK across a range of topics, including:

- Customs – ‘Trading with the EU if there’s no Brexit deal’
- Tariffs – ‘Classifying your goods in the UK Trade Tariff if there’s no Brexit deal’
- VAT – ‘VAT for businesses if there’s no Brexit deal’

The notices explain the changes that would apply if the UK leaves the EU without a deal on 29 March 2019. On GOV.UK search for ‘EU Exit technical notices’ and select ‘How to prepare if the UK leaves the EU with no deal’.

Next steps

If you’re a member of a trade body, they might have useful information on their website. Customs agents, freight forwarders and other businesses also have services to help you to follow customs rules.

There is no need to contact HMRC at this stage. This letter is for advice and guidance only and is part of the government’s ongoing programme of planning for all possible outcomes. We fully expect to negotiate a successful outcome with the EU, which would mean you do not have to make significant changes to the way that your business operates.

We will be in touch again before spring 2019 to let you know what actions you’ll need to take and when. And will publish more information on GOV.UK before and after 29 March 2019.

You can stay up-to-date with these changes by registering for HMRC’s EU Exit update service. On GOV.UK, search for ‘HMRC videos, webinars and email alerts’, click to register to get business help and education emails, enter your email and select ‘EU Exit’.

The government is committed to supporting you and your business through this period of change and making sure trade continues as easily as possible after we leave the EU.

Yours sincerely,

Jim Harra
Deputy Chief Executive, HMRC