



Wednesday 2 December 2020

Dear Customer

There are **fewer than 30 days left** to get your business ready for new trading rules with Europe, which apply from 1 January 2021.

If you intend to trade with businesses in Europe in January or February, act now - getting ready can take longer than you think.

The changes to customs and tax rules will affect everyone who trades with Europe, no matter the type or value of the goods you buy or sell, how frequently you trade or how your goods are transported. At the time of writing, talks are ongoing about our future trading arrangements with Europe, but you can be sure that these rules will not change or go away. Delaying your preparations will risk disrupting your business.

What changes on 1 January 2021?

From 1 January 2021, you will be responsible for completing import and export declarations for goods you move between Great Britain and countries in the EU. The new checklist enclosed with this letter tells you what actions you need to take.

If you are importing non-controlled goods, by now you should have decided if you will delay making import declarations for up to 6 months or make full declarations from 1 January 2021.

Most traders who are importing non-controlled goods will be able to delay making import declarations. You can do this by making a record of the import in your commercial records at the time of import. You will have up to 6 months to submit supplementary declarations. These need to be received by HMRC within 175 days from the date you import your goods.

For more information please visit www.gov.uk/hmrc/delay-import-declarations

If you do not delay your declarations or are importing controlled goods

(www.gov.uk/guidance/list-of-goods-imported-into-great-britain-from-the-eu-that-are-controlled) you will need to start making full import declarations from 1 January 2021.

You cannot delay your export declarations; these are needed by HMRC to allow your goods to cross the UK border.

If you are exporting goods you sell to customers in Europe, you will need to make export declarations from 1 January 2021.

This process is the same as used for trade with the rest of the world. You can find more information at www.gov.uk/import-goods-outside-eu and www.gov.uk/export-goods-outside-eu

Are you ready to make customs declarations?

You have 2 options to choose from, either:

- **get a specialist to do declarations for you:** these include freight forwarders, fast parcel operators and other customs agents - one in 3 traders already have a specialist in place, but many more will need to use one - you can find a list of specialists that can help at www.gov.uk/guidance/list-of-customs-agents-and-fast-parcel-operators
- **do declarations yourself:** you need someone with extensive knowledge and training in-house and to have all the right systems and authorisations in place to do this - if you have not put this in place by now, it's probably too late

Customs declarations are complex and it can be daunting to do it yourself. You should not attempt it unless you have the right software, authorisations and skills in place. That is why most businesses choose to outsource this to a specialist.

If you use a specialist, the rules for how customs agents represent traders are changing. From 1 January 2021, customs agents will be able to make simplified declarations for you using their own authorisation, so you don't need to be authorised. They can only do this if:

- your business is established in the United Kingdom
- your business imports goods into Great Britain (England, Scotland and Wales)
- the customs agent has the appropriate authorisation

The type of representation you agree with your agent will affect your roles and responsibilities. You can find more information at www.gov.uk/guidance/appoint-someone-to-deal-with-customs-on-your-behalf

It is in your best interest to make sure your customs declarations are handled properly. If your goods do not have the right paperwork, or if information is incorrect or missing, your goods may be seized and you will face delays and may have to pay extra charges. Those who transport your goods may even refuse to collect them if they're not confident you have provided the right documents for crossing the border.

Moving goods between Great Britain and Northern Ireland

If you move goods between Great Britain and Northern Ireland, the Trader Support Service can guide you through new processes under the Northern Ireland Protocol that starts from 1 January 2021. It's free to use and registration is quick and easy. Sign up now to get the latest information at www.gov.uk/guidance/trader-support-service

Help and support for you

There are resources to help you, including videos, live webinars and forums.

Go to www.gov.uk/guidance/help-and-support-if-your-business-trades-with-the-eu

If you are new to customs, you may want to take some basic customs training to find out more about what you need to do. You can apply for grants of up to £1,000 to cover the cost of this training. For more information and to apply, go to www.gov.uk/guidance/grants-for-businesses-that-complete-customs-declarations

We understand the complex pressures that all businesses are dealing with, as a result of COVID-19, but we urge you to give this matter urgent attention. Please act now to ensure your business is not disrupted in the new year. More support and advice is available at www.gov.uk/transition

Yours sincerely



Katherine Green and Sophie Dean

Directors General, Borders and Trade, HMRC



HM Revenue
& Customs

Trader checklist

If your business moves goods between Great Britain and Europe, you will be affected by new trading rules from 1 January 2021. These rules will apply to all European trade, whether you buy or sell goods once a year or every day, and no matter what type, volume or value - so all businesses need to prepare.

We know these are challenging times for businesses, that's why we've sent you this short checklist to help you get your business ready.

Follow the steps below to get your business ready to trade with Europe from 1 January 2021.

1. Check when you need to make declarations

If you want to buy, sell or move goods between Great Britain and Europe from 1 January 2021, you will need to make customs declarations.

If you import goods that are not controlled (standard goods) from EU countries, you can delay making import declarations for up to six months. To do this, you will need to make a declaration in your records. This is called an entry in declarant's records. For more information, go to www.gov.uk/hmrc/delay-import-declarations

If you import controlled goods (www.gov.uk/guidance/list-of-goods-imported-into-great-britain-from-the-eu-that-are-controlled) you will need to complete import declarations from 1 January 2021. You will need to use the same process that exists for trade with the rest of the world. You can find more information at www.gov.uk/import-goods-outside-eu

If you export standard or controlled goods, you will need to complete export declarations and submit full submit safety and security declarations from 1 January 2021. You will need to use the same process that exists for trade with the rest of the world. You can find more information at www.gov.uk/export-goods-outside-eu

2. Get ready to make customs declarations

By now you should have decided whether you have the in-house capacity to make declarations yourself or need to get a specialist to do it for you. Customs declarations are complex and time consuming, so most businesses use a specialist, such as a freight forwarder or fast parcel operator, to deal with customs for them.

If you intend to get a specialist to make your declarations for you, you need to:

find someone now to make your declarations. You can find a list of specialists that can help at www.gov.uk/guidance/list-of-customs-agents-and-fast-parcel-operators

make sure you understand what your responsibilities are and what information you need to share with whoever is doing your declarations.

work with your chosen specialist to ensure that you are ready to trade with Europe from 1 January 2021.

If you have not made these preparations, you risk not being ready in time for 1 January 2021, even if you start now.

If you intend to trade with Europe in January or February, you need to act now, and we recommend you get a specialist to make declarations for you.

If you still intend to make declarations yourself, you need to:

ensure that within your business you have the skills and knowledge to complete custom declarations.

buy the specialist software and licences needed to interact with HMRC's systems.

apply for access to CHIEF, the IT system used to make declarations to HMRC.

register for a duty deferment account, if you plan to delay your declarations, for non-controlled goods that you import up until 30 June 2021.

check what records of your imported goods you must keep to support your declarations.

3. Make sure your supply chain is ready

Please share this information with all those in your supply chain so you know what changes you all need to make.

We recommend that you tell your EU trading partner to visit www.gov.uk/eubusiness to check the actions they need to take.

You can find more information at www.gov.uk/transition