
STATUTORY INSTRUMENTS

2019 No. 513

**The Value Added Tax (Miscellaneous Amendments, Revocation
and Transitional Provisions) (EU Exit) Regulations 2019**

PART 2

**Amendment of secondary legislation relating
to value added tax and transitional provisions**

Amendment of the Value Added Tax Regulations 1995

2. The Value Added Tax Regulations 1995(1) are amended as follows.
3. Omit Part 4B (provision of information relating to arrivals and dispatches)(2).
- 4.—(1) Part 14 (input tax and partial exemption) is amended as follows.
 - (2) In regulation 102 (use of other methods)(3), after paragraph (2) insert—

“(2A) Notwithstanding any provision of any method approved or directed to be used under this regulation which purports to have the contrary effect, where the method attributes input tax to exempt supplies specified by the Treasury in an order made under section 26(2) (c) of the Act, no attribution is to be made in relation to any supplies that are made within the United Kingdom unless—

 - (a) the supply is directly linked to the export of goods and the recipient of the goods is located outside both the United Kingdom and the EU, or
 - (b) the supply is between a United Kingdom based intermediary and a United Kingdom based service provider and the recipient of any supply being arranged by the intermediary is located outside both the United Kingdom and the EU.”.
 - (3) In regulation 103B (attribution of input tax incurred on services and related goods used to make financial supplies)(4), in paragraph (3)(a), for “another” substitute “a”.
- 5.—(1) Part 16 (importations, exportations and removals)(5) is amended as follows.
 - (2) In regulation 117 (interpretation of Part 16)—
 - (a) in paragraph (8), for “member States” substitute “United Kingdom” in both places it occurs;
 - (b) omit paragraphs (10) and (11).
 - (3) In regulation 118 (enactments excepted)—

(1) *S.I. 1995/2518*; see footnotes below for relevant amending instruments.

(2) Part 4B (regulations 23E and 23F) was inserted by *S.I. 2008/556*.

(3) Regulation 102 was amended by *S.I. 2005/762, 2007/768, 2009/820, 2010/559* and *2015/1978*.

(4) Regulation 103B was amended by *S.I. 2004/3140* and *2009/820*.

(5) Part 16 was amended by *S.I. 1995/3147, 1996/210, 1999/438, 2000/258, 2000/634, 2001/630, 2003/1485, 2003/2318, 2004/1082, 2006/587, 2006/3292, 2011/1043, 2013/2241, 2013/3211* and *2019/60*. The amendments made by *S.I. 2019/60* are not yet in force.

- (a) in paragraph (c)—
 - (i) omit sub-paragraph (i);
 - (ii) omit sub-paragraph (ii);
- (b) after paragraph (c), insert—
 - “(ca) the Taxation (Cross-border Trade) Act 2018—
 - (i) section 16 (value of chargeable goods), and
 - (ii) section 33 (meaning of domestic goods).”
- (4) In regulation 119 (regulations excepted)—
 - (a) at the end of paragraph (b), for the full stop substitute a semi-colon;
 - (b) after paragraph (b), insert—
 - “(c) any regulations made under section 19 of the Taxation (Cross-border Trade) Act 2018.”
- (5) Omit regulation 120 (community legislation excepted).
- (6) In regulation 121 (adaptations) omit paragraph (2).
- (7) For regulation 121A substitute—
 - “**121A.** In the Customs (Import Duty) (EU Exit) Regulations 2018(6), Part 10 (guarantees), in regulation 98(1), regard there being a third sub-paragraph as follows—
 - “(c) in relation to the VAT chargeable on the importation of goods into the United Kingdom, the specified amount may be nil where in the opinion of an HMRC officer there is no risk to the payment.””
- (8) Omit regulations 121B and 121C.
- (9) Omit regulation 123.
- (10) For regulation 126 substitute—
 - “**126.** Subject to such conditions as the Commissioners may impose, VAT chargeable on the importation of goods which have been temporarily exported and are re-imported after having undergone repair, process or adaptation outside the United Kingdom, or after having been made up or reworked outside the United Kingdom, shall be payable as if such treatment or process had been carried out in the United Kingdom, if the Commissioners are satisfied that—
 - (a) at the time of exportation the goods were intended to be re-imported after completion of the treatment or process outside the United Kingdom, and
 - (b) the ownership in the goods was not transferred to any other person at exportation or during the time they were abroad.”
- (11) In regulation 128, for “member States” substitute “United Kingdom”.
- (12) In regulation 129(1)(a) and (b), in both places it occurs, for “member States” substitute “United Kingdom”.
- (13) In regulation 132, for “member States” substitute “United Kingdom” in both places it occurs.
- (14) In regulation 133, for “member States” substitute “United Kingdom” in both places it occurs.
- (15) Omit regulations 134 to 145.

Transitional provisions in relation to the Value Added Tax Regulations 1995

6.—(1) The omission of Part 20 (repayments to Community traders) of the Value Added Tax Regulations 1995(7) by regulation 71 of the Value Added Tax (Miscellaneous Amendments and Revocations) (EU Exit) Regulations 2019(8) shall not have effect in the circumstances specified in paragraphs (2) or (3) subject to the modifications in paragraphs (4) to (8).

(2) Where a relevant claim—

(a) is made on or after exit day, or

(b) is made before exit day but is still being processed by the Commissioners as at exit day.

(3) Where a claimant who has made a relevant claim that falls within paragraph (9)(a) is required to repay an amount to the Commissioners under regulation 173D(3) on or after exit day.

(4) Where paragraph (2)(a) applies, a relevant claim—

(a) may be made in such form or manner as the Commissioners may prescribe in a public notice,

(b) must relate to a relevant period, and

(c) must be made by the relevant date.

(5) A relevant period is either of the periods from—

(a) 1st January 2018 to 31st December 2018, or

(b) 1st January 2019 to exit day.

(6) The relevant date is—

(a) 30th September 2019 for a relevant claim that falls within sub-paragraph (9)(a) and relates to the relevant period that falls within sub-paragraph (5)(a);

(b) 30th September 2020 for a relevant claim that falls within—

(i) sub-paragraph (9)(a) and relates to the relevant period that falls within sub-paragraph (5)(b), or

(ii) sub-paragraph (9)(b) and relates to the relevant period that falls within sub-paragraph (5)(a);

(c) 30th September 2021 for a relevant claim that falls within sub-paragraph (9)(b) and relates to the relevant period that falls within sub-paragraph (5)(b).

(7) Where, in relation to a relevant claim that falls within paragraph (2), the Commissioners make a request under regulation 173R (requests for further information or a document), for paragraph (1) (b) of that regulation substitute “a request made to the competent authority of a member State of the EU”.

(8) Where paragraph (3) applies, the amount must be repaid to the Commissioners in such form or manner and at such time as the Commissioners may prescribe in a public notice.

(9) A relevant claim is a claim—

(a) for a repayment of VAT under regulation 173B, or

(b) for an additional repayment of VAT under regulation 173D(2),

that, in either case, as at exit day the claimant was entitled to make under Part 20 as it had effect immediately before exit day.

(7) Part 20 was amended by S.I. 2009/3241, 2010/2940 and 2014/2430.

(8) S.I. 2019/59.

Amendment of the Value Added Tax (Relief for European Research Infrastructure Consortia) Order 2012

7.—(1) The Value Added Tax (Relief for European Research Infrastructure Consortia) Order 2012(9) is amended as follows.

- (2) In article 1(2), omit “, acquisitions”.
- (3) In article 2—
 - (a) in the heading omit “or acquisition”;
 - (b) in paragraph (1), omit “from a place outside the member States, or on the acquisition of goods from another member State,”;
 - (c) in paragraph (2)—
 - (i) in sub-paragraph (a), after “member State” insert “of the EU”;
 - (ii) in sub-paragraph (d), omit “or acquisition”.

Amendment of the Value Added Tax (Postal Packets and Amendment) (EU Exit) Regulations 2018

8.—(1) Regulation 6 of the Value Added Tax (Postal Packets and Amendment) (EU Exit) Regulations 2018(10) is amended as follows.

- (2) In paragraph (1), for “paragraphs (2), (3) and (4)” substitute “paragraphs (2) to (4)”.
- (3) In paragraph (2), after “import VAT payable by the supplier” omit “that is due”.
- (4) After paragraph (3) insert—
 - “(3A) If a supplier makes a qualifying importation that is not an excepted importation and—
 - (a) the postal packet is not accompanied by the supplier’s unique registration identifier, and
 - (b) the UK-established postal operator who receives the postal packet for delivery does not fall within paragraph (3)(b)—
 then the recipient is jointly and severally liable for any import VAT payable by the supplier on the qualifying importation.
 - “(3B) Paragraph (3A) only has effect for importations made within the period of two years beginning with the day on which that paragraph comes into force.”

General transitional provision in relation to value added tax and power to make further provision

9.—(1) The amendments made in relation to value added tax by any regulations made by the appropriate Minister under the Taxation (Cross-border Trade) Act 2018, or by statutory instrument under any other enactment in consequence of, or otherwise in connection with, the United Kingdom’s withdrawal from the EU, do not have effect in relation to supplies made, and acquisitions taking place, before exit day.

(9) [S.I. 2012/2907](#); article 3 is revoked by section 43 and Schedule 8, paragraph 132(k) of the Taxation (Cross-border Trade) Act 2018 (c. 22) (“TCTA”) on a day yet to be appointed by the Treasury in regulations made under section 57(3); the whole instrument is revoked, so far as not already revoked, by regulation 89(e) of the Value Added Tax (Miscellaneous Amendments and Revocations) (EU Exit) Regulations 2019 ([S.I. 2019/59](#)) on a day yet to be appointed by the Treasury in regulations under section 52 of TCTA.

(10) [S.I. 2018/1376](#).

(2) In determining for the purposes of this regulation the time when a supply or acquisition of goods is made ignore sections 18(4)(a) and 18B(4) of the Value Added Tax Act 1994(11).

(3) In determining for the purposes of this regulation the time when a supply of services is made—

- (a) invoices and other documents provided to any person before exit day are to be disregarded,
- (b) so much (if any) of any payment received by the supplier before exit day as relates to times on or after exit day is to be treated as received on exit day, and
- (c) so much (if any) of any payment received by the supplier on or after exit day as relates to times before exit day is to be treated as received before exit day.

(4) A payment in respect of any services is to be taken for the purposes of paragraph (3) to relate to the time of the performance of those services.

(5) But where a payment is received in respect of any services the performance of which takes place over a period, a part of which falls before exit day and a part of which does not—

- (a) an apportionment is to be made, on a just and reasonable basis, of the extent to which the payment is attributable to so much of the performance of those services as took place before exit day,
- (b) the payment is to that extent to be taken for the purposes of paragraph (3) to relate to a time before exit day, and
- (c) the remainder, if any, of the payment is to be taken for the purposes of paragraph (3) to relate to times on or after exit day.

10.—(1) The amendments made in relation to value added tax by any regulations made by the appropriate Minister under the Taxation (Cross-border Trade) Act 2018, or by statutory instrument under any other enactment in consequence of, or otherwise in connection with, the United Kingdom’s withdrawal from the EU, do not have effect in relation to a supply of goods that involves the removal of the goods to the United Kingdom from a member State of the EU, or an acquisition of goods in pursuance of such a supply, if by reason of Chapter 7 of Part 15 of the Customs (Import Duty) (EU Exit) Regulations 2018(12) no import duty is chargeable in respect of the goods.

(2) Those amendments do not have effect in relation to a supply of goods that involves the removal of the goods to a member State of the EU from the United Kingdom if by reason of EU legislation corresponding to Chapter 7 of Part 15 of the Customs (Import Duty) (EU Exit) Regulations 2018 no customs duty is chargeable in respect of the goods.

11. Her Majesty’s Revenue and Customs(13) may make additional provision to deal with specific transitional issues that arise as a result of the amendments made in relation to value added tax by any regulations made by the appropriate Minister under the Taxation (Cross-border Trade) Act 2018, or under any other enactment in consequence of, or otherwise in connection with, the United Kingdom’s withdrawal from the EU, in a public notice published by them.

(11) Section 18B was inserted by paragraph 5 of Schedule 3 to the Finance Act 1996 (c. 8). Sections 18(4)(a) and 18B(4) were amended by paragraphs 16 and 18 of Schedule 8 to the Taxation (Cross-border Trade) Act 2018 (c. 22). Under section 57(3) of that Act those amendments will come into force on such day as the Treasury may by regulations appoint. No such regulations have been made at the time these Regulations are made.

(12) S.I. 2018/1248, amended by S.I. 2019/326 and 2019/486.

(13) Schedule 1 to the Interpretation Act 1978 (c. 30) provides that “Her Majesty’s Revenue and Customs” has the meaning given by section 4 of the Commissioners for Revenue and Customs Act 2005 (c. 11).