
STATUTORY INSTRUMENTS

2019 No. 1214

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

PART 5

Fulfilment Businesses

CHAPTER 1

Preliminary

Interpretation and effect

6.—(1) In this Part—

“the 2017 Act” means the Finance (No. 2) Act 2017(1);

“the 2018 Regulations” means the Fulfilment Businesses Regulations 2018(2);

“the Commissioners” means the Commissioners for Her Majesty’s Revenue and Customs;

“imported goods fulfilment business” has the meaning given by section 48 of the 2017 Act, as it has effect on and after exit day;

“third country goods fulfilment business” has the meaning given by section 48 of the 2017 Act as it had effect immediately before exit day.

(2) The changes effected by regulation 7(3) in relation to regulation 4 of the 2018 Regulations do not have effect in relation to a person who was carrying on a third country goods fulfilment business before exit day(3).

CHAPTER 2

Amendments

Amendment of the 2018 Regulations

7.—(1) The 2018 Regulations are amended as follows.

(2) In regulation 2, in the definition of “customer”, for “a third country goods” substitute “an imported goods”.

(3) In regulation 4—

(a) in paragraph (1)(a), for “a third country goods” substitute “an imported goods”;

(1) 2017 c. 32; see S.I. 2018/298 for commencement of Part 3 (fulfilment businesses). Part 3 and Schedule 13 were amended by section 43 of, and paragraphs 122 to 130 of Schedule 8 to, the Taxation (Cross-border Trade) Act 2018 (c. 22) on a day yet to be appointed by the Treasury.

(2) S.I. 2018/326; previously amended by Part 3 of S.I. 2019/513 but Part 3 is not in force and is omitted by regulation 3(3) of these Regulations.

(3) The effect of this is to ensure that the time limits set out in regulation 4 of the Fulfilment Businesses Regulations 2018 as it had effect before exit day remain applicable to a person who was already carrying on a third country goods fulfilment business before exit day.

- (b) for paragraph (2) substitute—
 - “(2) An application under paragraph (1)(a) must be made on or before the day on which a person commences carrying on an imported goods fulfilment business.”.
- (4) In regulation 6(1)(c), for “third country goods” substitute “imported goods”.
- (5) In regulation 8—
 - (a) in paragraphs (3) and (4), in each place it occurs, for “a third country goods” substitute “an imported goods”;
 - (b) in paragraph (5), for “third country goods” substitute “imported goods”.
- (6) In regulation 9—
 - (a) in paragraph (1), in sub-paragraphs (c) and (d), in each place it occurs, for “a third country goods” substitute “an imported goods”;
 - (b) in paragraph (2)(c), for “a third country goods” substitute “an imported goods”.
- (7) In regulation 10(1), in sub-paragraphs (c), (d), (e) and (g), in each place it occurs, for “third country goods” substitute “imported goods”.
- (8) In regulation 11(2)(a)(iii), for “a third country goods” substitute “an imported goods”.
- (9) In regulation 13, and in the heading for it, for “a third country goods” substitute “an imported goods”.

CHAPTER 3

Approval to carry on third country goods fulfilment business deemed
to be approval to carry on imported goods fulfilment business

Approvals accepted before exit day

8. Where before exit day the Commissioners have accepted an application for an approval to carry on a third country goods fulfilment business, that approval is deemed on and after exit day to be an approval to carry on an imported goods fulfilment business.

Applications in process at exit day

9. Where before exit day a person has made an application for an approval to carry on a third country goods fulfilment business, or to vary any condition or restriction to which an approval is subject, that application is deemed on and after exit day to be an application for an approval to carry on an imported goods fulfilment business or to vary any condition or restriction to which an approval to carry on such a business is subject.

CHAPTER 4

Transitional provisions for persons who before exit day were not carrying on a “third country goods fulfilment business” but who, as a result of amendments made by paragraph 123 of Schedule 8 to the Taxation (Cross-border Trade) Act 2018(4) to section 48 of the 2017 Act, are carrying on “an imported goods fulfilment business” at exit day or commence doing so during the 9 month period following exit day

Interpretation of this Chapter

10. In this Chapter—

“the first period” means the period of 6 months beginning with the day on which exit day falls;

“the second period” means the period of 3 months immediately following the expiry of the first period.

Application

- 11.**—(1) This Chapter applies where a person meets the conditions in paragraph (2).
- (2) The conditions are that the person—
- (a) was not carrying on a third country goods fulfilment business before exit day,
 - (b) is carrying on an imported goods fulfilment business at exit day or commences carrying on an imported goods fulfilment business within the period of 9 months beginning with the day on which exit day falls, and
 - (c) the imported goods fulfilment business referred to in sub-paragraph (b) would not have qualified as a “third country goods fulfilment business” before exit day.

Modification of regulation 4 of the 2018 Regulations (applications for approval and to vary an approval)

12.—(1) Where this Chapter applies, a person making an application for an approval under regulation 4(1)(a) of the 2018 Regulations must do so in accordance with the time limits in this regulation and regulation 4 of the 2018 Regulations is modified in accordance with paragraphs (2) and (3).

(2) Where the person is carrying on an imported goods fulfilment business at exit day or commences doing so during the first period, the application for an approval must be made before the expiry of the first period.

(3) Where the person commences carrying on an imported goods fulfilment business during the second period, the application for an approval must be made before the expiry of the second period.

Penalty assessment for failure to comply with the time limits in regulation 12 above

13. The Commissioners may assess a penalty where a person fails to comply with the requirements set out in regulation 4(2) of the 2018 Regulations as modified by regulation 12.

Suspension of Commissioners’ power to assess penalties under regulation 14(1)(b) and (c), (2) and (3) of the 2018 Regulations until on or after the expiry of the second period

14. Where this Chapter applies, the Commissioners’ power to assess a penalty under regulation 14(1)(b) and (c), (2) and (3) of the 2018 Regulations may only be exercised in respect of contraventions taking place after the expiry of the second period.

Transitional provision in relation to sections 53 to 55 of, and Schedule 13 to, the 2017 Act

15. Where this Chapter applies, the provisions of sections 53 to 55 of, and Schedule 13 to, the 2017 Act apply only in relation to contraventions taking place after the expiry of the second period.