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## EXPLANATORY NOTE

*(This note is not part of the Regulations)*

These Regulations make provision for carrying out of customs union arrangements that have been entered into by the United Kingdom (“UK”) with the Isle of Man, the Bailiwick of Guernsey and the Bailiwick of Jersey (“the Crown Dependencies”) in order to ensure that goods may be brought into the UK from the Crown Dependencies free from customs duty following the UK's exit from the European Union. These arrangements will have effect for the purposes of import duty by virtue of the following Orders in Council:

The Crown Dependencies Customs Union (Isle of Man) (EU Exit) Order 2019 (S.I. 2019/257);

The Crown Dependencies Customs Union (Guernsey) (EU Exit) Order 2019 (S.I. 2019/254);

The Crown Dependencies Customs Union (Jersey) (EU Exit) Order 2019 (S.I. 2019/256).

Regulation 1 provides for citation, commencement and interpretation. Paragraph (2) of the regulation provides that the Regulations shall come into force on such day as the Treasury may appoint pursuant to regulations made under section 52(2) of the Taxation (Cross-border Trade) Act 2018 (c. 22) (“the Act”). Paragraph (3) contains a list of definitions.

Regulation 2 provides that certain provisions set out in regulations 3 to 6 will apply in relation to the entitlement of persons established in the Isle of Man to use Customs procedures contained in the Act, the treatment of goods that move from the UK to the Isle of Man having been imported into the UK and other general purposes relating to the UK/Isle of Man customs union arrangements.

Regulations 3 to 6 contain modifications to the following provisions:

- section 33 and Schedules 1 and 2 of the Act;
- the Customs (Special Procedures and Outward Processing) (EU Exit) Regulations 2018 (S.I. 2018/1249);
- the Customs (Import Duty) (EU Exit) Regulations 2018 (S.I. 2018/1248);
- the Customs (Export Duty) (EU Exit) Regulations 2019 (S.I. 2019/108);

Regulation 7 applies section 24 of the Act and regulation 97 of the Customs (Import Duty) (EU Exit) Regulations 2019 to the Crown Dependencies (the Isle of Man, Guernsey and Jersey) with modifications.

This instrument is one of a group of instruments covered by a single overarching HMRC impact assessment (third edition) which will be published and available on the website at <https://www.gov.uk/government/collections/customs-vat-and-excise-regulations-leaving-the-eu-with-no-deal>.

**Changes to legislation:**

There are currently no known outstanding effects for the The Customs (Crown Dependencies Customs Union) (EU Exit) Regulations 2019.