
STATUTORY INSTRUMENTS

2019 No. 513

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

PART 3

Amendment of the Fulfilment Businesses Regulations 2018 and transitional provisions for legislation relating to fulfilment businesses

Amendment of the Fulfilment Businesses Regulations 2018

- 12.**—(1) The Fulfilment Businesses Regulations 2018(1) are amended as follows.
- (2) In regulation 1—
- (a) in paragraph (2), for “and (4)” substitute “to (5)”;
 - (b) in paragraph (3), for the words before sub-paragraph (a) substitute—
“ (3) Subject to the modifications in Part 6, Parts 3 and 4 come into force on—”;
 - (c) after paragraph (4), insert—
“ (5) Part 6 comes into force on exit day.”.
- (3) In regulation 2, in the definition of “customer”, for “a third country goods” substitute “an imported goods”.
- (4) In regulation 4—
- (a) in paragraph (1)(a), for “a third country goods” substitute “an imported goods”;
 - (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.”.
- (5) In regulation 6(1)(c), for “third country goods” substitute “imported goods”.
- (6) In regulation 8, in paragraphs (3), (4) and (5), in each place it occurs, for “a third country goods” substitute “an imported goods”.
- (7) 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), in sub-paragraph (c), for “a third country goods” substitute “an imported goods”.
- (8) In regulation 10(1), in paragraphs (c), (d), (e) and (g), in each place it occurs, for “third country goods” substitute “imported goods”.
- (9) In regulation 11(2)(a)(iii), for “a third country goods” substitute “an imported goods”.

(10) In regulation 13, and in the heading for it, for “a third country goods” substitute “an imported goods”.

(11) After Part 5 insert—

“PART 6

Transitional provisions for persons who immediately before exit day were not carrying on a “third country fulfilment business” (within the meaning of section 48 of the Finance (No. 2) Act 2017 as it had effect immediately before exit day) but who, as a result of amendments made by paragraph 123 of Schedule 8 to the Taxation (Cross-border Trade) Act 2018 to section 48 of the Finance (No. 2) Act 2017, are carrying on an “imported goods fulfilment business” at exit day or commence doing so during the 9 month period immediately following exit day

Interpretation of Part 6

20. In this Part—

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

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

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

Application

21.—(1) This Part 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 fulfilment business immediately before exit day,
- (b) is carrying on an imported goods fulfilment business at exit day or commences carrying on an imported goods fulfilment business during the period beginning with exit day and ending on 31st December 2019, 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 (applications for approval and to vary an approval)

22.—(1) Where Part 6 applies, a person making an application for approval or to vary an approval under regulation 4 must do so in accordance with the time limits in this regulation and regulation 4 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 in the period between exit day and 30th September 2019, the application for approval or to vary an approval must be made on or before 30th September 2019.

(3) Where the person commences carrying on an imported goods fulfilment business between 1st October 2019 and 31st December 2019, the application for approval or to vary an approval must be made on or before 31st December 2019.

(2) 2017 c. 32; see S.I. 2018/298 (C. 26) for commencement of Part 3 (fulfilment businesses).

Penalty assessment for failure to comply with the time limits in regulation 22

23. The Commissioners may assess a penalty where a person fails to comply with the requirements set out in regulation 4(2) as modified by regulation 22.

Suspension of Commissioners' power to assess penalties under regulation 14(1)(b) and (c), (2) and (3) until 1st January 2020

24. Where Part 6 applies, the Commissioners' power to assess a penalty under regulation 14(1)(b) or (c), (2) and (3) may only be exercised in respect of contraventions taking place on or after 1st January 2020."

Transitional provision in relation to regulation 4 of the Fulfilment Businesses Regulations 2018

13.—(1) The changes effected by regulation 12(4) in relation to regulation 4 of the Fulfilment Businesses Regulations 2018 do not have effect in relation to a person who was carrying on a third country goods fulfilment business before exit day.

(2) In paragraph (1), "third country goods fulfilment business" has the meaning given by section 48 of the Act as it had effect immediately before exit day.

Transitional provision in relation to sections 53 to 55 of, and Schedule 13 to, the Finance (No. 2) Act 2017

14. Where Part 6 of the Fulfilment Businesses Regulations 2018 applies, the provisions of sections 53 to 55 of, and Schedule 13 to, the Finance (No. 2) Act 2017 apply only in relation to contraventions taking place on or after 1st January 2020.