

---

STATUTORY INSTRUMENTS

---

**2020 No. 1545**

The Value Added Tax (Miscellaneous Amendments,  
Northern Ireland Protocol and Savings and  
Transitional Provisions) (EU Exit) Regulations 2020

Part 2

Amendment of secondary legislation relating to value added tax

**Part 16 (importations, exportations and removals)**

74. After regulation 133 insert—

“Part 16ZA

Importations, exportations and removals in respect of Northern Ireland

**Interpretation**

**133A.**—(1) his Part applies to importations, exportations and removals in respect of Northern Ireland.

(2) In this Part—

“container” has the same meaning as in Part 16;

“export” means—

- (i) the export of goods from Northern Ireland to a place outside the member States;  
and
- (ii) the removal of goods from Northern Ireland to Great Britain or the Isle of Man,  
and related expressions are to be interpreted accordingly.

“importation” means—

- (i) the importation of goods from outside the United Kingdom as a result of their  
entry into Northern Ireland; and
- (ii) the entry of goods into Northern Ireland following their removal from Great  
Britain or the Isle of Man,

and related expressions are to be interpreted accordingly;

“overseas authority” means any country other than the United Kingdom or any part  
of or place in such a country or the government of any such country, part or place;

“relevant state” and “relevant states” means the member States and Northern Ireland;

“Union customs legislation” has the meaning given by paragraph 1(8) of Schedule  
9ZB to the Act.

**Supplies to persons outside the relevant states**

**133B.** Where the Commissioners are satisfied that—

(1) goods intended for export to a place outside the relevant states have been supplied at a time when they were located in Northern Ireland to—

- (a) a person not resident in Northern Ireland,
- (b) a trader who has no business establishment in Northern Ireland from which taxable supplies are made, or
- (c) an overseas authority, and

(2) the goods were exported to a place outside the relevant states;

(3) the goods are not personal gifts on export as defined in regulation 9 of the Customs (Export) (EU Exit) Regulations 2019(1); and

(4) any conditions that may be specified by the Commissioners in a notice published by them have been met,

the supply, subject to such other conditions as they may impose, shall be zero-rated.

**VAT Retail Export Scheme**

**133C.**—(1) Where the Commissioners are satisfied that—

- (a) goods, which at the time of the supply were located in Northern Ireland, have been supplied to a person who is an overseas visitor and who, at the time of the supply, intended to depart from the relevant states before the end of the third month following that in which the supply is effected and that the goods should accompany him,
- (b) save as they may allow, the goods were produced to the competent authorities for the purposes of the common system of VAT in the relevant state from which the goods were finally exported to a place outside the relevant states, and
- (c) the goods were exported to a place outside the relevant states,

the supply, subject to such conditions as they may impose, shall be zero-rated.

(2) In this regulation—

- (a) “goods” does not include—
  - (i) a motor-vehicle, or
  - (ii) a boat intended to be exported under its own power,
- (b) the words “overseas visitor” refer to a traveller who is not established within the relevant states,
- (c) for the purposes of paragraph (b) above, a traveller is not established within the relevant states only if that traveller’s domicile or habitual residence is situated outside the relevant states,
- (d) solely for the purposes of paragraph (c) above, the traveller’s domicile or habitual residence is the place entered as such in a valid—
  - (i) identity document,
  - (ii) identity card, or
  - (iii) passport,

- (e) a document referred to in sub-paragraph (i), (ii) or (iii) of paragraph (d) is valid for the purposes of that paragraph only if—
  - (i) it is so recognised by the Commissioners, and
  - (ii) it is not misleading as to the traveller’s true place of domicile or habitual residence.

### **Supplies to persons departing from the relevant states**

**133D.**—(1) The Commissioners may, on application by an overseas visitor who intends to depart from the relevant states within 15 months and remain outside the relevant states for a period of at least 6 months, permit that person within 12 months of the person’s intended departure to purchase, from a registered person, a motor vehicle located in Northern Ireland at the time of purchase without payment of VAT, for subsequent export, and its supply, subject to such conditions as they may impose, shall be zero-rated.

(2) The conditions that the Commissioners may impose under paragraph (1) may be specified in a notice published by them.

(3) In this regulation, “overseas visitor” means a person who, during the 2 years immediately preceding the date of the application has not been in Northern Ireland for more than 365 days, or who, during the 6 years immediately preceding the date of the application has not been in Northern Ireland for more than 1,095 days.

**133E.**—(1) The Commissioners may, on application by any person who intends to depart from the relevant states within 9 months and remain outside the relevant states for a period of at least 6 months, permit that person within 6 months of the person’s intended departure to purchase, from a registered person, a motor vehicle located in Northern Ireland at the time of purchase without payment of VAT, for subsequent export, and its supply, subject to such conditions as they may impose, shall be zero-rated.

(2) The conditions that the Commissioners may impose under paragraph (1) may be specified in a notice published by them.

(3) In this regulation, “overseas visitor” means a person who, during the 2 years immediately preceding the date of the application has not been in Northern Ireland for more than 365 days, or who, during the 6 years immediately preceding the date of the application has not been in Northern Ireland for more than 1,095 days.

### **Supplies to persons taxable in a member State**

**133F.**—(1) Subject to regulation 133G, where the Commissioners are satisfied that —

- (a) a supply of goods by a taxable person involves their removal from Northern Ireland;
- (b) the supply is to a person (“P”) who is registered for VAT in a member State and has provided the supplier with the VAT identification number issued to P by that member State,
- (c) the goods have been removed to a member State, and
- (d) the goods are not goods in relation to whose supply the taxable person has opted, pursuant to section 50A(2) of the Act, for VAT to be charged by reference to the profit margin on the supply,

the supply, subject to such conditions as they may impose, shall be zero-rated.

---

(2) Section 50A was inserted by the Finance Act 1995 (c. 4) and amended by paragraph 52 of Schedule 8 to TCTA, but see paragraph 26 of Schedule 9ZA to VATA.

**133G.** The zero-rating provided for by regulation 133F shall be revoked where, in relation to a supply,—

- (a) the taxable person who makes the supply fails to comply with the obligation to submit a statement under regulation 22; or
- (b) the statement submitted by that taxable person does not set out the correct information as required by or under regulation 22, unless the taxable person can satisfy the Commissioners that there was a reasonable excuse for the failure to comply or the failure to provide the correct information, as appropriate.

**Additional provision in relation to importations, exportations and removals in respect of Northern Ireland**

**133H.**—(1) The Commissioners may make additional provision in relation to importation, exportation and removals so far as concerning value added tax in respect of Northern Ireland in a notice published by them.

- (2) A notice made under this regulation may include provision for the following—
  - (a) enactments, regulations and Union customs legislation which are to be excepted or adapted in relation to importations in, or exports from, Northern Ireland;
  - (b) treatment of supplies made to persons taxable in a member State or supplies of goods subject to excise duty to persons who are not taxable in a member State;
  - (c) reimportation of goods exported for treatment or process, temporary importations and export of freight containers;
  - (d) territories to be treated as excluded from or included in the territory of the Community and of the member States, related entry and exit formalities and use of the internal transit procedure under Union customs legislation and Union customs legislation which will apply.”.