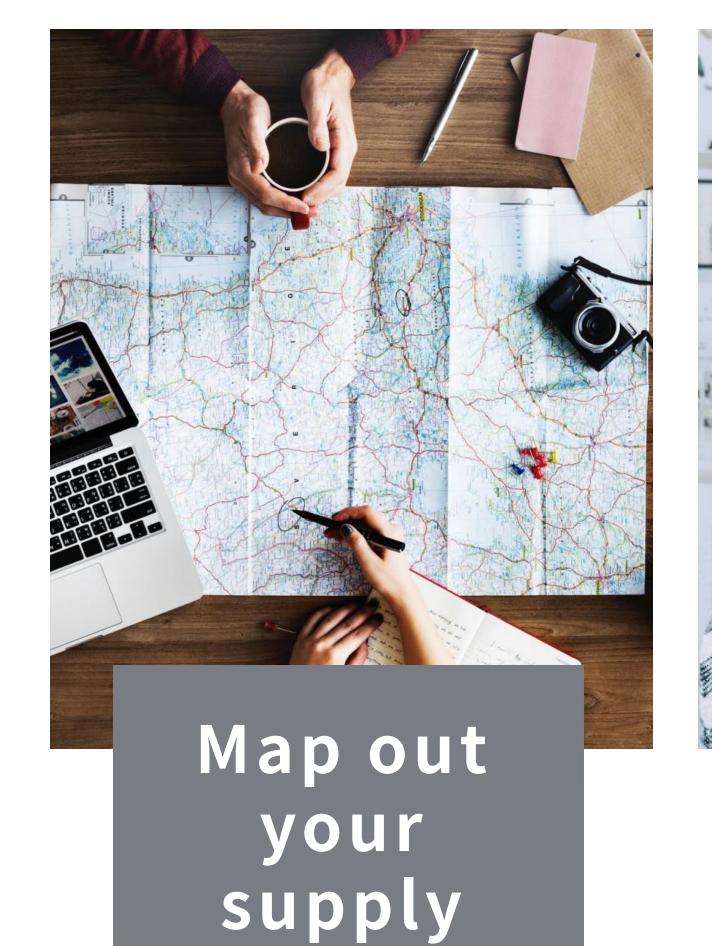
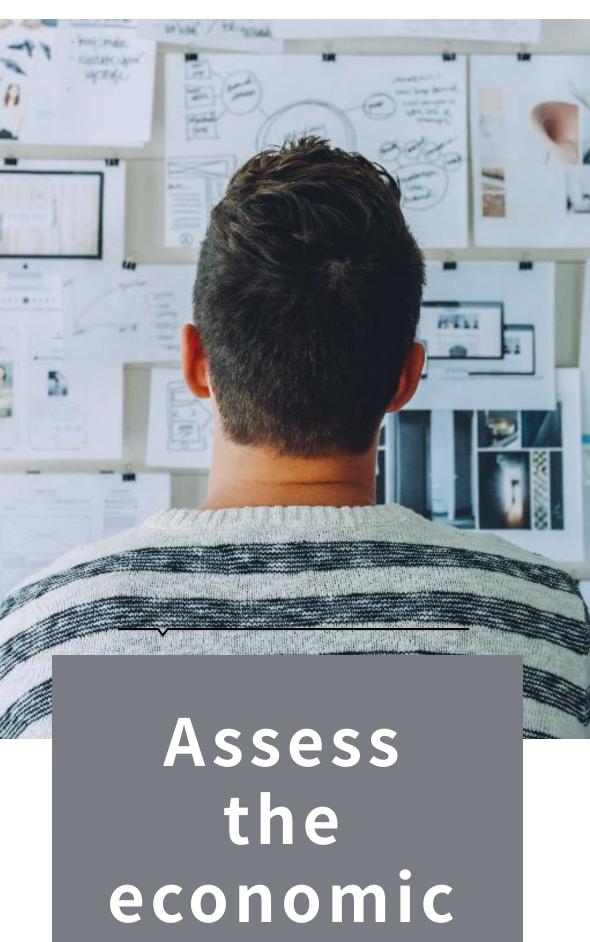


# VAT and Brexit

We have set out some quick tips that businesses should consider when buying and selling goods across the new UK/EU border.









Consider EU VAT registration

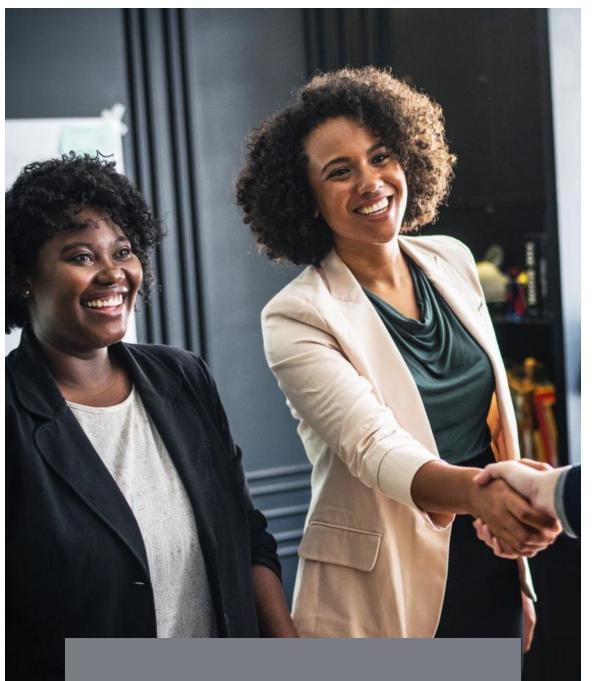
## chains

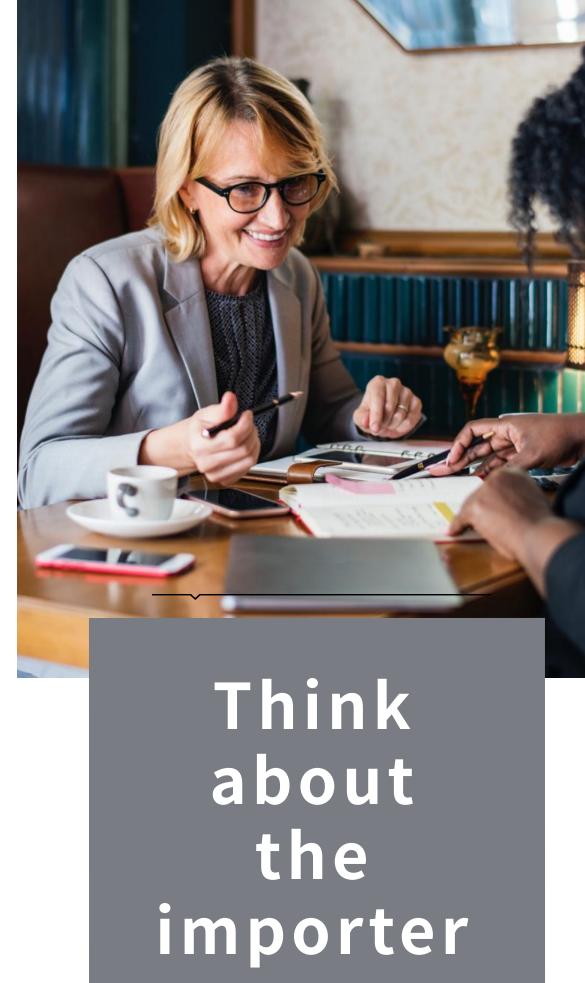
Following your purchases and sales of goods, look at where your suppliers and customers are located throughout the supply chain and pinpoint where the potential issues could be.

# impact

Is your profit margin affected if customs duty becomes payable when trading with EU countries?

Can you register VAT in another EU country. Once your goods are in that location, they are in 'free circulation'.





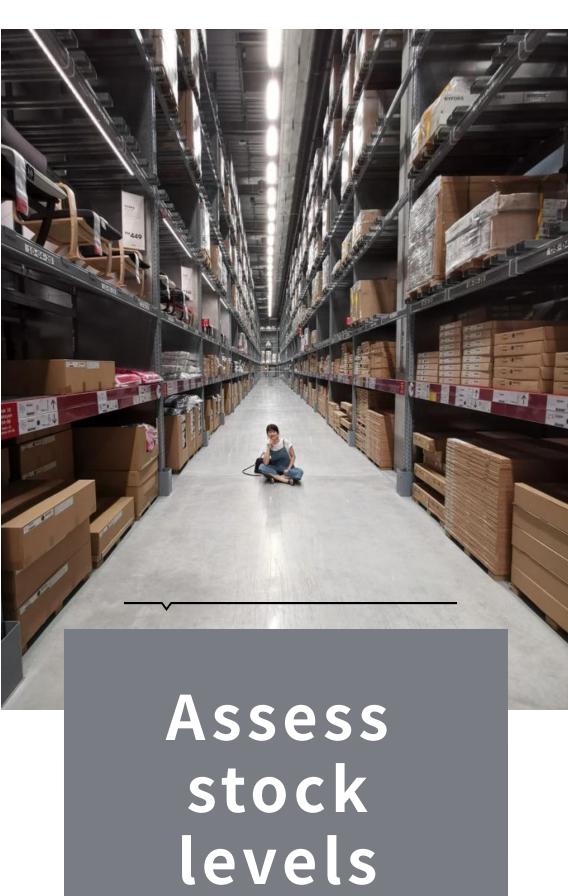


Presence may be needed Simplify or change supply chains

Some form of presence in the EU may be needed, for example a storage area for goods in the EU country in question.

Can your EU customer become the importer into the EU? For example, if you currently purchase from an EU supplier can this be changed to a UK supplier?

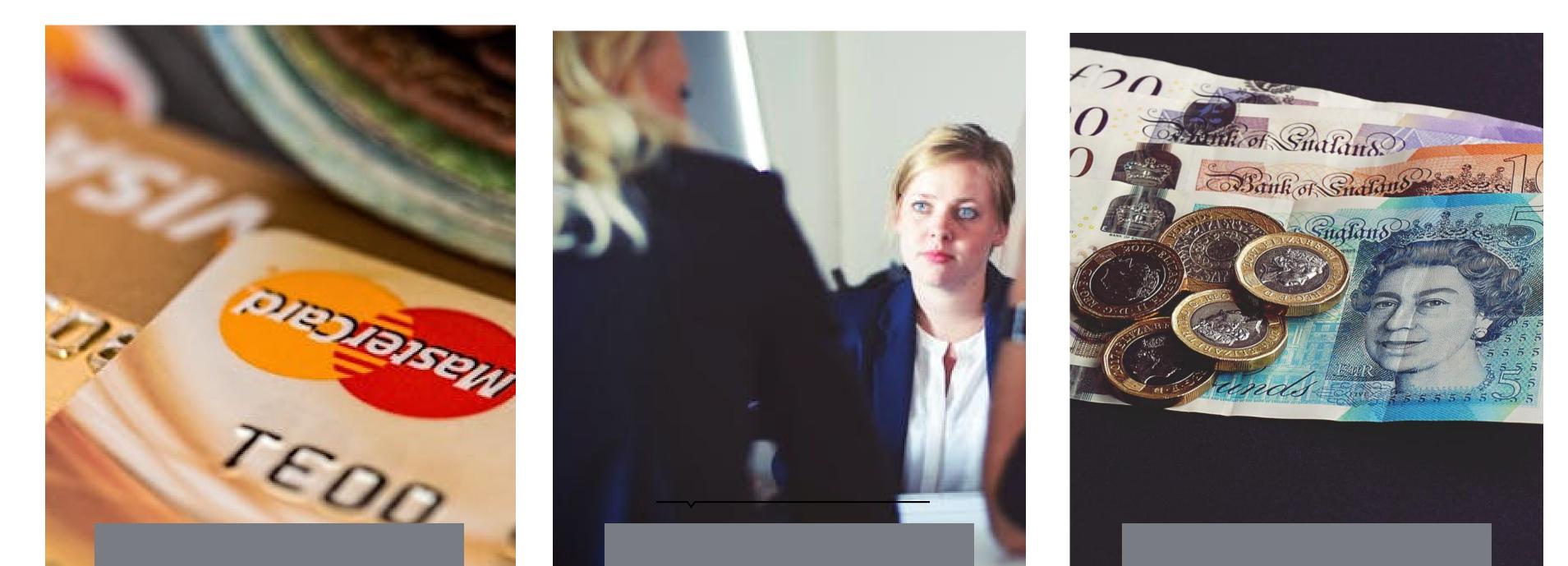






status

Can your processes and systems cope with the potential new requirements? Do you need to analyse these? Can stock levels cope if goods take longer to move across borders, particularly those businesses that operate a 'Just-in-Time' model. Consider obtaining Authorised Economic Operator (AEO), an internationally recognised certification issued by customs administrations.





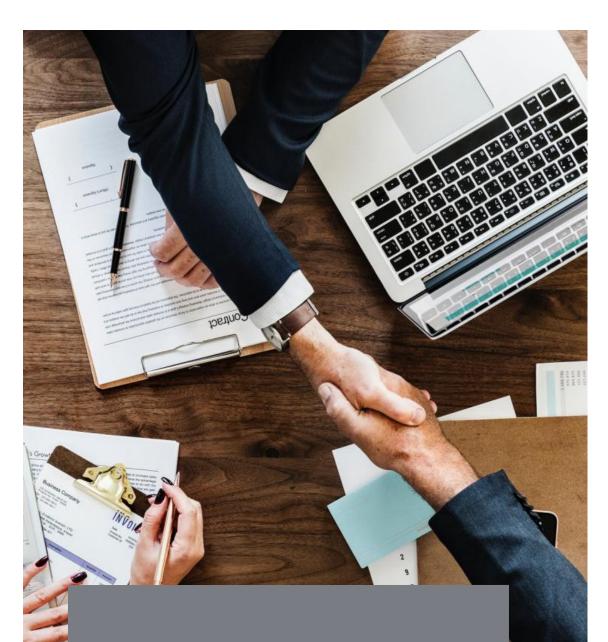
Consider customs procedures Think about a grant

Can they offer any guarantee facilities? This can be useful as HMRC allow duty and VAT to be deferred on imports to the UK.

Which customs procedures your goods can be put to, for example warehousing, where VAT and duty is suspended on goods? Does your business qualify for a government grant for software and/or training staff for making customs declarations?







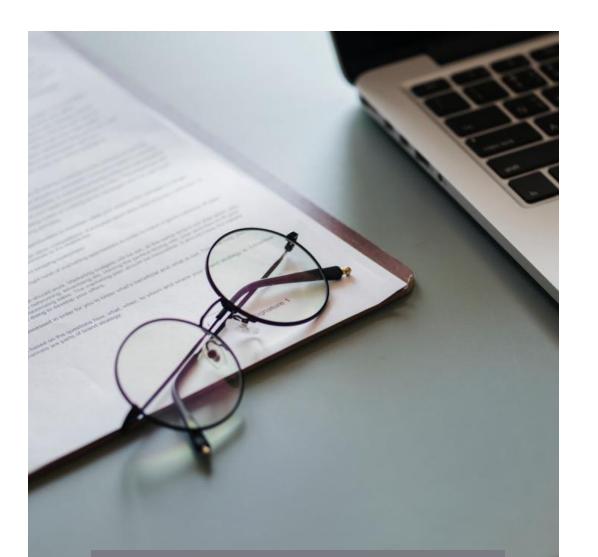
Engage with relevant agents

### 00000

To avoid increased costs and delays, you will need an Economic Registration and identification (EORI) number to import and export from the UK. This is currently required if you only trade with the EU.

Currently exporters must use the National Export System (NES) to declare exports of goods, only to non-EU countries, but this will also be required for EU countries. Do you need to engage with a freight forwarder logistics company customs agent to take care of these new requirements for you?





### EU distance selling rules

Does your business take advantage of EU distance selling rules, call off stock provisions or triangulation for VAT purposes? A no deal Brexit will mean big changes in these areas.

# Consider using CTC

By using the Common Transit Convention (CTC) if you do not already, you can move your goods quicker between the UK, EU member states and other CTC countries under 'duty suspension'.

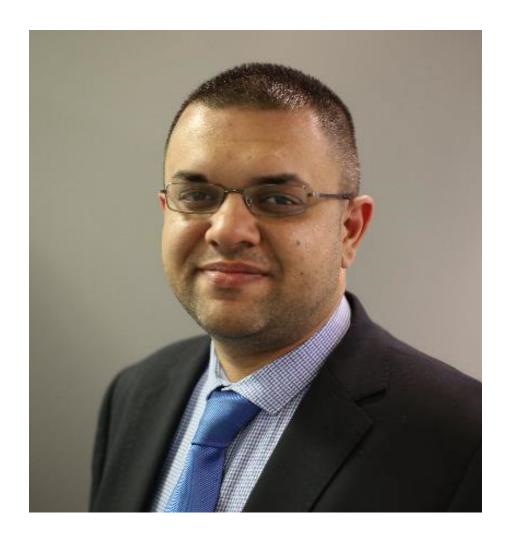




## How we can help

At Lubbock Fine we are here to assist and support you with all of the above to assess the impact on your business.

If you would like to discuss any of these matters further please contact our VAT specialist, Jas Dhillon, jaspaldhillon@lubbockfine.co.uk



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