



# Brexit – points to consider

## Brexit

The end of the UK transition period with the EU is now less than 2 months away and there are a number of things businesses need to consider to ensure they don't get caught out on 1 January 2021. With trade negotiations still taking place there are still a number of areas where there is uncertainty, but it is clear from Government communications that certain things will change.

We have summarised below some of the key announcements and areas to think about, but should you require further information on your personal circumstances, you can visit the Gov.uk website and answer a short questionnaire to show all the detail for your circumstances by [clicking here](#).

## Importing goods from the EU

If your business imports goods from the EU there are a number of actions which you need to take before 1 January 2021.

### Customs declarations

From 1 January 2021 businesses will need to make a customs declaration when importing goods from the EU (the same as you currently would when importing goods from the rest of the world). Either businesses can make the customs declaration themselves or they can use a courier, freight forwarder or customs agent or make the declaration on their behalf. Customs declarations are complicated and therefore it may be easier for businesses to get a customs intermediary to help meet customs requirements.

To find out more about how to make a customs declaration and what software will be needed if you are doing it yourself please [click here](#).

In some instances businesses can delay making a declaration for up to 6 months after the goods have been imported. Where the goods are controlled or HMRC have informed a business that they must do so, they must follow the normal rules for making an import declaration. Where the goods do not fall into the previous categories and were in EU free circulation into Great Britain, business can declare the goods by entering them into their records without getting advance authorisation and delay sending HMRC the full information about these goods by up to 6 months on a supplementary declaration. For further information please [click here](#).

### Import licenses

From 1 January 2021, the rules for importing some types of goods will change and therefore it is advisable that where businesses are importing goods from the EU then they check which import licenses are required. To find out which products are affected and what is required please [click here](#).

### EORI number

To move goods between the EU and Great Britain from 1 January 2021 businesses will need an EORI number which starts with 'GB'. It can take up to a week for an EORI number to come through so businesses are advised to apply for one as soon as possible. If you move goods to or from Northern Ireland then you may still need an EORI number.

To apply for an EORI you will need the following information:

- VAT number and effective date of registration (can be found on your VAT registration certificate)
- National insurance number if you are an individual or sole trader
- Unique Taxpayer Reference (UTR)
- The business start date and Standard Industrial Classification (SIC) code
- Government Gateway user ID and password

For more information and to apply for an EORI please [click here](#).



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## Customs duty and VAT

The UK Global Tariff will apply to all goods which are imported from 1 January 2021 unless an exception applies. By [clicking here](#) you can check what the tariff will be on goods and check the difference between what you pay now and what will be paid from 1 January 2021.

In terms of the VAT implications, from 1 January 2021 UK businesses acquiring goods from the EU can no longer rely on using the “reverse charge” mechanism to pay VAT on the purchase of goods from the EU. The import of goods from the EU become normal imports for VAT purposes, but if a business is VAT registered in the UK then the VAT can be declared and recovered on the same VAT return. To find out more please [click here](#).

## Exporting goods to the EU

### Customs declarations

From 1 January 2021 those exporting goods to the EU will need to make customs declarations. These are the rules which currently apply to exporting goods to the rest of the world. As with customs declarations for importing goods these can be done by the business or through the use of a courier, freight forwarder or customs agent.

To find out more about how to make a customs declaration and what software will be needed if you are doing it yourself please [click here](#).

### Export licenses

From 1 January 2021, the rules for exporting some types of goods will change and therefore it is advisable that where businesses are importing goods from the EU then they check which import licenses are required. To find out which products are affected and what is required please [click here](#).

### Marking, labelling and marketing standards

It is important that businesses check if the marking, labelling and marketing standards which must be followed are changing from 1 January 2021. For manufactured goods to be placed on the market in Great Britain there is a new conformity assessment marking ‘UKCA’. The CE marking will be accepted in the UK until 1 January 2022 for a certain product. It should be noted that the UKCA marking will not be recognised on the EU or Northern Ireland markets and therefore produces currently requiring a CE marking for sale in the EU will continue to need a CE mark and meet the other EU rules. Both the CE and UKCA mark can be placed on a product so long as neither impedes the visibility of the other and requirements of both the GB and EU legislation are met.

From 1 January 2021 the essential requirements and standards that can be used to demonstrate conformity for the new UKCA marked goods are the same as they are now. So whilst the technical required for CE marking and UKCA marking are the same the conformity assessment bodies that test them may need to be different. For further details please [click here](#) and [here](#).

### EORI number

As with importing goods an EORI number is required for moving goods between Great Britain and the EU. For further details see the ‘Importing goods from the EU’ section.

### VAT

From 1 January 2021, VAT will be charged at 0% (known as zero rate) on most goods which are exported to the EU. For further details please [click here](#).



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## Employees

The UK leaving the EU may affect the rights of some of your workers if they are an EU, EEA or Swiss national. Employees who are EU, EEA or Swiss nationals living in the UK by 31 December 2020, will need to register for the EU settlement scheme by 30 June 2021 to ensure they retain the right to continue to live in the UK.

*The above is by no means an exhaustive list of information on the impact of Brexit and as pointed out earlier there is still a high level of uncertainty but with the end of the transition period not far away it is important businesses prepare for 1 January 2021. For the full details please visit the [Gov.UK website](#).*