Imports of Goods

Imports of Goods – Import Duty and Import VAT

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Imports of Goods Finance-Specialist Accounting-Tax Team

CPC codes identify the customs and/or excise regimes that apply when goods are being imported or exported. So, if certain reliefs are to be applied to the import (for example claiming medical zero-rating relief), the CPC code identified will ensure this is applied.

It is important that the correct code is used, otherwise inappropriate reliefs may be claimed and HMRC will issue penalties as a result which will be charged onto your project.

The CP

The Country of Origin of the goods is where they have been grown, produced, or manufactured. It may not be the country the goods are sent from.

It is necessary to declare in the import declaration that you hold proof of origin. The proof of origin must be kept for 4 years. The supplier should provide you with proof of origin.

declaration or statement on any sales invoice.

HMRC refer to two main categories of goods for the Country of Origin:

goods wholly obtained or produced in a single country

goods whose production involved materials from more than one country

The Country of Origin of goods that are in the second of these categories will be determined by detailed rules contained in:

the trade agreement with the EU or

the trade agreement with the relevant non-EU country or

the Generalised Scheme of Preferences, which is used for some developing nations.

e or capital punishment

Please note that as from 1 January 2022, products of animal origin imported from the EU now need veterinary certificates in the same way as from the rest of the world. This is applicable to anything that might include a substance of animal origin e.g., blood samples, genetic material etc.

Please ask your clearing agent to do this notification for you. You may need to register the import online and further HMRC guidance can be found at:

https://www.gov.uk/government/collections/guidance-on-importing-and-exporting-live-animals-or-animal-products

from there. If you have issues or queries though in doing this please email

6 Import declarations – HMRC systems

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When the customs agent completes the import declaration, it should use the correct Customs Procedure Code (CPC) so you should be clear in your instructions to them that this relief is to apply. Please ask the customs agent to inform you of the Customs Procedure Codes they intend to use and email these codes to vat@reading.ac.uk. The Tax Team will then check that the codes being used are reasonable.

9.3 Outward Processing Relief (OPR)

Example of use: goods being returned to the UK following repair or service.

on the number of times the University can use this relief in a year without being fully registered.

cost of the repair or service, provided that:

There is a full audit trail that links the import declaration to the previous export declaration, ideally by quoting the export declaration reference on the import declaration

When the customs agent completes the export and import declaration, again you should be clear in your instructions to them that this relief applies, and the agent should use the correct Customs Procedure Code (CPC). For export, for example, the CPC probabl -

needed.

If the repair is carried out free of charge under warranty, then no VAT and duty is payable.

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For information, references to NIRU relate to the National Imports Relief Unit. Where applications for NIRU certificates need to be made, all forms should be sent to niru@hmrc.gov.uk. Questions can either be sent to this email address or their telephone number can be used: 0300 322 7065 (Monday to Friday 8am to 4pm). Application forms for NIRU certificates can be obtained by emailing NIRU. NIRU Certificates should be obtained before importing the goods. Copies of the NIRU certificates should be sent to the customs agent. The NIRU Certificate number must be recorded in box 44 of the import declaration.

Customs Procedure Codes (CPCs) are used to identify a procedure that goods are moved under, including the reliefs set out above. When importing or exporting any of the goods set out in any of the reliefs, it is important that your customs agent uses the correct CPC on the import declaration for t

Imports of Goods Finance-Specialist Accounting-

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9.6.7 Scientific instruments

Scientific instruments and apparatus pas long as the goods are used for non-commercial purposes. This includes spare parts, components, accessories, or tools for maintaining, checking, calibrating, or repairing. The items must be specifically suited to the imported apparatus.

Imported by: University for non-commercial and non-profit making education or non-commercial and non-profit making scientific research.

Import Duty Relief- The University holds a NIRU certificate to obtain duty relief for scientific equipment-
Supplier to be included in their shipping documentation.

Import VAT Relief, if used for medical or veterinary research, training, diagnosis, or treatment.

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A VAT Certificate for zero rating of imported medical equipment is required. Please use tax code PM when placing the order so that the certificate is produced, or if the purchase is made other than by a purchase order, please request a manual certificate from vat@reading.ac.uk.

CPC codes:

40 00 C13 for goods imported from outside the UK on which you claim relief from duty, and VAT if appropriate.

49 00 C17 for goods imported from UK special territories on which you claim relief from VAT.

40 00 C14 for equipment imported for non-commercial purposes by or on behalf of a scientific research establishment or organization based outside the UK to carry out international scientific research, and providing approval has been sought from National Imports Relief Unit

9.6.8 Substances for biological and chemical research

40 00 C12
educational, scientific, or cultural nature.

40 00 C12 -produced visual and auditory material

49 00 C12 -produced visual and auditory material imported from the special territories.

10 Low value Consignments £135 or less

Where a consignment is £135 or less in value import duty is not payable. The £135 threshold:

is exclusive of VAT.

It applies to the whole consignment not each individual item.

excluding transport and insurance costs

Import VAT is not payable, but UK supply VAT is paid through the VAT Return. Please use tax code PY for these purchases.

CPC code 4000C07

11 Carrying personal goods in baggage into and out of Great Britain

These are the standard rules travellers will be familiar with, and the details can be found at:

https://www.gov.uk/bringing-goods-into-uk-personal-use.

12 Merchandise in Baggage

These rules relate to commercial goods carried in luggage through airports/ferries etc. Commercial goods would cover anything (of any value) that is being carried to enable you to carry out your work duties overseas e.g., samples, equipment, substances,

12.1.1 Declaration by conduct

If you are NOT INTENDING to bring the goods back into the UK, so that you do not need proof of export, (if you are intending to bring goods back into the UK you would need proof of export) and the goods:

have a value of less than £1,500 and

weigh up to 1,000kg in total and

are not restricted goods or excise goods (e.g., products of animal origin, see further details noted on guidance above)

do not need a licence (controlled goods) and

are not being put into or taken out of a special procedure, unless the goods are placed under Temporary Admission and

you are not claiming VAT relief (so although you may be charged VAT on carrying the goods, you are prepared to accept the VAT as an absolute cost to your project which is most likely unless your equipment relates to commercially funded research or to, say, a vatable consultancy service you are providing, and the project your costs are going to is set to fully recoverable - FR).

then you can make a declaration by conduct e.g., by walking through the green channel.

12.1.2 Simple online declaration

If the conditions listed above for declaration by conduct apply, but you ARE INTENDING to bring the goods back into the UK (so that you do need proof of export) you can make a simple online declaration which should be made in the 5 days before you leave the UK via the UK government website https://www.gov.uk/guidance/declare-commercial-goods-youre-taking-out-of-great-britain-in-your-accompanied-baggage-or-small-vehicles

12.1.3 Full export declaration

If the goods:

have a value of more than £1,500 or