

HMRC accelerates 95,000 firms onto simplified import procedures

HM Revenue and Customs (HMRC) has automatically registered 95,000 businesses for its simplified import procedures allowing most traders up to 6 months to pay import duties and submit customs declarations, if the UK leaves the EU without a deal on 31 October 2019.

The scheme, known as Transitional Simplified Procedures (TSP), will make importing after Brexit on 31 October much simpler, particularly for businesses that would be completing customs processes for the first time. Up to now, businesses have had to apply for it – over 30,000 had previously registered.

This TSP scheme will allow most businesses up to 6 months to send in customs declarations and pay any customs duties to HMRC after importing goods from the EU. This will prevent congestion at the border when goods enter the UK.

The government has chosen to automatically enrol VAT-registered businesses that import from the EU into the TSP scheme as it is the best option for businesses that are new to customs processes and haven't yet appointed a customs agent. Businesses that are not registered for VAT should apply for the scheme if it would benefit them.

HMRC Interim CEO Jim Harra said:

We are doing everything we can to help businesses get ready for Brexit on 31 October.

This move will support the trade of thousands of businesses and is part of our longstanding policy of making sure we continue to keep trade flowing.

Dr Adam Marshall, Director General of the British Chambers of Commerce (BCC), said:

At a time of change, the top priorities at the border have to be keeping trade flowing and minimising the potential for disruption.

Automatically registering companies for TSP at the border means one less immediate demand on traders' limited time and resources in the unwanted event of a 'no-deal' exit.

In particular, it would help the thousands of UK firms who import from the EU but have little experience of dealing with customs processes. We are pleased that ministers have again listened to BCC's calls to reduce the number of administrative hoops businesses

will need to jump through as they navigate major changes to the way they trade across borders.

Businesses registered for TSP today are UK-based traders that HMRC has a record of having imported goods from the EU in 2018.

HMRC has sent letters to these traders with further details of their TSP registration, and they only have to take a few simple extra steps – such as checking if their goods attract tariffs, and getting a Duty Deferment Account if they do – to make sure that they are ready for 31 October.

Importers do not have to use TSP: they still also have the option to use full import processes instead. However, HMRC strongly advises traders new to dealing with customs to take advantage of the benefits of TSP.

The UK remains committed to ensuring the country's borders remain secure, and simplified customs measures will not change that. Border Force will continue to carry out intelligence-led checks.

Further information on TSP

If the UK leaves the EU without a deal, TSP arrangements become active from the leaving date.

In the letter businesses being registered receive, they will need to:

- check what tariffs will apply to their goods after Brexit and whether they need to pay customs duties on their goods – under the [temporary tariff](#), 88% of total imports to the UK by value would be eligible for tariff-free access
- if they do have duties to pay, they must apply for a Duty Deferment Account before importing goods – this allows them to pay the duties they owe monthly by direct debit rather than as soon as the goods enter the UK
- keep customs records of all the goods they import from the date the UK leaves the EU and get ready to make monthly declarations to HMRC

Traders can choose to delay making declarations until 6 May 2020, giving them more time to get used to new processes. If they choose to delay making declarations until 6 May 2020, payment for the duties they owe will be taken by direct debit on 15 May 2020. Traders should prepare to account for the import VAT on imports on their normal VAT return.

If a trader doesn't receive a letter but thinks they should get TSP, they can apply on [GOV.UK](#).

Non-VAT registered traders who import goods from the EU are also encouraged to register for TSP. HMRC is developing a new online service which will let them report and pay import VAT on a quarterly import VAT return if they choose to delay making declarations until 6 May 2020. This service will be available to sign up for after Brexit.

See [more information on TSP](#) and the records you need to keep.

A copy of the [letter to businesses](#) has been published on GOV.UK today (15 October 2019).

HMRC action to prepare traders

This announcement comes after HMRC auto-enrolled 88,000 VAT-registered traders with UK EORI numbers in August. Having a UK EORI is the vital first step for businesses to take if they wish to continue trading with the EU as normal after 31 October.

Earlier this month HMRC also invested a further £10 million in grants to boost the staff capability of customs agents after Brexit. This grant is available to businesses currently completing customs declarations on behalf of other importers and exporters. The investment followed previous funding of £16m in September as well as £5 million provided in December 2018 available to UK traders.

HMRC has sent over 1.3 million letters and emails to traders, published a wide range of guidance, step-by-step guides, videos, webinars and held events to help businesses and agents prepare for a no deal scenario.

Businesses can [register for our free email update service](#) – select ‘business help and education emails’, then select ‘Brexit’.

Businesses can also use the GOV.UK readiness checker to ensure that they have made the necessary preparations for 31 October, or call the new Brexit import and export helpline on 0300 3301 331 for advice.