



Seabourne Logistics – Brexit presentation

Pre Brexit UCC (Union Customs Code) regulations

- < € 22 No import duties & taxes
- > € 22 - < € 150 Only Vat applicable
- > € 150 Import duties & Taxes applicable

New UCC (Union Customs Code) regulations (nothing to do with a Brexit deal or no deal)

- < € 22 **No import duties & taxes**
- > € 22 - < € 150 Only Vat applicable (= GBP 135)
- > € 150 Import duties & Taxes applicable (= GBP 135)

What changed on the January 1st 2021?

On 29 January 2020, the European Parliament ratified the Brexit withdrawal agreement that had been ratified earlier in January by the UK Parliament. On 31 January 2020, the UK has left the European Union and from this date a Transition Period until 31 December 2020 started, as stated in the Withdrawal Agreement, allowing the UK and the EU to negotiate a Trade Deal that would be applicable as of 1 January 2021.

The new threshold is at **GBP 135**.

Goods sold up to GBP 135 or less – The 20% consumer Vat applicable in the UK must be charged to the end-consumer. **No import duties** are applicable.

Goods sold over **GBP 135** - The 20% consumer Vat applicable in the UK must be charged to the end-consumer. In addition to the **consumer Vat**, **import duties** will be due as well.

All details about the Brexit and the required numbers can be found via <https://www.gov.uk/eori> and <https://www.gov.uk/vat-registration>

What do we need as of January 1st, 2021 ?

1. Your UK Vat number for the United Kingdom (**'UK VAT'**);
2. Your EORI-nummer voor het Verenigd Koninkrijk (**'UK EORI'**);
3. **HS-codes** for all goods send via our network ('Harmonized System')(minimum 10 didgets);
4. **Accurate values**, and **weight** of the send goods;
5. Incoterm **DDP**;
6. **COO** (Country of Origin) (Only NL when it really is NL).

Calculation example (< GBP 135)

Product value	€ 100.00
Import duties	€ 00.00 (0% because it's below GBP 135)
Shipping Cost	<u>€ 10.00</u> +
Customs value	€ 110.00 (Used in the dataset for clearance)
Consumer UK Vat 20%	<u>€ 22.00</u> + (over the € 110.00 customs value)
Total 'new' UK sales value * in checkout	€ 132.00

* Or lost on margin if the € 110.00 is used on the invoice (read: data send to Seabourne / Seabourne clearance Partner / UK Customs)

In this case, the € 22.00 consumer Vat will not be pre-financed since this will be absorbed in the monthly Vat Administration by the retailer. This will be connected (read: matched) to the provided UK Vat number in the data per retailer. If there are multiple retailers served via a 3PL or platform, multiple UK Vat numbers and UK EORI numbers need to be provided.

Calculation example (> GBP 135)

Product value	€ 200.00
Import duties	€ 20.00 + (10% example)
Shipping Cost	<u>€ 10.00</u> +
Customs value	€ 230.00 (€ 210 used in the dataset for clearance)
Consumer UK Vat 20%	<u>€ 46.00</u> + (over the € 230.00 customs value)
Total 'new' UK sales value* in checkout	€ 276.00

* Or lost on margin if the € 210.00 is used on the invoice (read: data send to Seabourne / Seabourne clearance Partner / UK Customs)

The Pre financed import duties € 20.00 and UK Vat (20%) € 46.00 = € 66.00 will be invoiced on a separate Vat & Duties account and used for the 3,5% administration fee. In this case it would be € 2.31 shown as 'Admin Fee' on invoices multiplied with local Vat over the Vat&Duties invoice amount which will be claimed back by the retailer via their quarterly UK Vat administration and will end up to be € 0.00 for NL customers since this is a business-to-business transaction.

UK Vat Administration example (per month)

Sold products < GBP 135	€ 300.000
Cleared and administrated UK VAT (20%)	€ 60.000 (to be administrated by the retailer in monthly UK Vat administration)
Sold products > GBP 135	€ 100.000
Cleared and administrated UK Duties&Taxes (10%)	€ 10.000 (already Invoiced by Seabourne to the seller)
Cleared and administrated UK VAT (20%)	€ 22.000 (already Invoiced by Seabourne to the seller)
Administration fee (3.5 % over € 32.000)	€ 1.120 (already Invoiced by Seabourne to the seller)

Retailer needs to pay (read: absorb) the numbers above in his monthly UK VAT administration:

Example: SEC206742673

Free domicile
 Forced high value
 Proforma on letterhead paper
 Temporary Export
 Pallet Shipment

Inco Term
 Invoice type Proforma Commercial
 Sample Shipment
 Print client Address

Content Consignee VAT No Consignee EORI

↑	Piece No.	↑	Qty	Description	Tot Value	↑	Cur	↑	↓
1		11		BATT, LITHIUM, 3V, 120 MA, T	51,59	EUR	NL		^

UK Vat number and Eori number from the seller connected to DDP and/or DAP and customs value.

Example: SEC206742673

Proforma Invoice

Date of 12/08/2021
 Consignment 206742673 Invoice Number: _____
 Shipper's Name: _____ Consignee Name: _____
 Shipper's Address: _____ Consignee _____

Shipper's VAT Nr: _____ Importer's VAT Nr: _____
 Shipper's EORI Nr _____ Importer's EORI nr: _____
 REX Number _____ Tel Number: _____
 Tel Number: _____ Contact Name: _____
 Booked by: _____ Email: _____

Total Number of Packages: 1 Total Gross Weight Kg: 1

Parcel Group Number	Full Description of Goods	Commodity Code (if known)	Country of Manufacture	# of Items	Total Value (EUR)
1	Specific product description	HS codes	NL	11	51.59
Total Number of Items:				11	
Total Invoice Value (EUR):					51.59

Reason for Export: Permanent Export
 Terms of Delivery: Default for UK is always DDP
This is to certify that this package contains the items as listed above.

UK Vat Number
UK Eori Number

Correct Customs Value

DAP possible depending on setup

UK shipments are not accepted when any data is missing. Incorrect values can't be changed anymore.