
EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations are made by the Treasury. These Regulations make provision generally for the purposes of import duty under Part 1 of the Taxation (Cross-border Trade) Act 2018 (c. 22) (“the Act”). This is an EU Exit statutory instrument.

Regulation 1 provides for citation and commencement. These Regulations come into force on the 28th February 2022.

Regulation 2 makes various amendments to the Customs and Excise Management Act 1979 (c. 2) (“CEMA”).

Paragraph (2) makes consequential amendments to section 63 CEMA following the introduction of new duties of customs in sections 30A (importation of goods: Northern Ireland), 30C (duty on potentially imported goods) and 40A (removal to Northern Ireland of at risk goods etc) of the Act. Sections 30A, 30C and 40A were inserted by the Taxation (Post-transition Period) Act 2020 (c. 26).

Paragraph (3) amends section 119 CEMA to reflect the new terminology used by the Act and clarify that this section allows for HMRC to require additional security from a person who is liable to pay import duty prior to discharging goods from the free-circulation procedure (described in section 3 of the Act) where the Customs declaration made in relation to the goods is being verified by HMRC.

Regulation 3 makes a consequential amendment to the Finance Act 1981 (c. 35) as the repeal of section 119(2) CEMA made by the Finance Act 1981 has not been commenced. Section 119(2) CEMA is repealed by regulation 2 of this instrument.

In consequence of the amendment to section 119 CEMA made by regulation 2, the Finance Act 1994 (c. 2) is amended by regulation 4 to provide for an appeal right where HMRC requires additional security under section 119 CEMA.

Regulation 5 makes consequential amendments to the Act.

Paragraph (2) omits the repeal, which has not yet been commenced, of section 119 CEMA.

Paragraph (3) amends paragraph 158 of Schedule 7 to the Act in consequence of the commencement of section 30C of the Act.

A Tax Information and Impact Note (TIIN) covering this instrument will be published on the GOV.UK website at <https://www.gov.uk/government/collections/tax-information-and-impact-notes-tiins>.