

# Frequently Asked Questions

Part of

## Importing/Exporting Goods – Great Britain

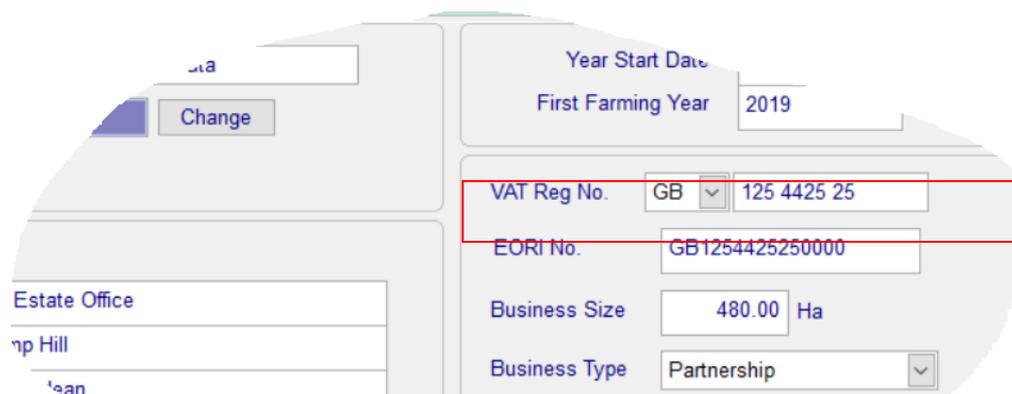
Now that the UK has left the EU and the transition period after Brexit has come to an end, there are new rules with regard to the treatment of VAT on imported/exported goods after 1 January 2021.

**PLEASE NOTE** that the exact procedures will depend on a number of factors such as your type of business (for example goods versus services), the value of the import and the region of the UK that you are in. More details can be found at <https://www.gov.uk/guidance/complete-your-vat-return-to-account-for-import-vat>

If you have any queries about how this affects your business we recommend that you take professional advice.

### EORI Number – Economic Operator’s Registration and Identification Number

All businesses moving goods between GB and other countries will need an EORI number. This number can be recorded in **Setup – Business Details**.



Year Start Date	2019
First Farming Year	2019
VAT Reg No.	GB 125 4425 25
EORI No.	GB1254425250000
Business Size	480.00 Ha
Business Type	Partnership

The EORI number can be added to sales invoices/credit notes and statements by adding a field with the expression “**EORI Number:** ” + **general.ceori** using the **Report Publisher – Edit Report** option. More details can be found in the program’s help.

## Postponed VAT Accounting – Great Britain

One method that can be used to deal with import VAT is Postponed VAT Accounting.

From 1 January 2021, import VAT is declared on the next VAT return instead of having to pay it up front and then claim it back on the majority of goods.

An online statement will be available to be downloaded monthly from HMRC which will show the total VAT on imports for the month just ended. This should be included on the VAT return for that month.

To support this we have introduced a new VAT status called **PV – Postponed VAT**.

When you enter a purchase of goods from a non-UK supplier from any country then you should select the VAT status of **PV** against each item instead of U, U1 or R which were used previously for EU supplies. All figures should be entered net of VAT at this point.

**Please note** that if you already have entered some import transactions in January, you should now edit them to change the VAT status and remove any VAT figures.

Allocation		Description	Quantity	Price	Amount	VAT Rate	VAT Amount
Heading Code	Office Costs (OE)	Description	Quantity 1	Price	Net	VAT	VAT Amount
Enterprise	Gen20 -- General 20	Items purchased from abroad	0.000	0.000	500.00	PV	0.00
Subcode			Quantity 2		Gross		
Farm Code	Unassi -- Unassigned		0.000		500.00		
Searchcode	Unassigned						
Running Cost							

**NB** the PV status is only available if the supplier has a non GB VAT registration number. Choose 'Other Country' against **VAT Reg No** if it is from outside the EU.

## Exports/Sales of Goods to other countries

Again ensure that the customer has been assigned the correct country code so that you can use the VAT status of PV. Enter the value net of VAT. No further action is required with regard to VAT once the transaction has been entered.

### Northern Ireland/Other EU Countries

The new rules do not apply if your business is based in Northern Ireland and dealing with other EU countries. You should continue to enter VAT using the same method in place prior to January 2021. However you should use the new Postponed VAT Accounting system when dealing with countries outside the EU.

You should also continue to use your existing system if your business is based in an EU country.

## VAT Return Layout– Post 1 January 2021

The wording on the VAT return will change for all VAT returns that start after 1 January. Boxes 2, 4, 8 and 9 now refer to intra-community acquisitions and dispatches of goods between Northern Ireland and the rest of the EU. They are no longer applicable to any import/export transactions in the rest of the UK. For example:

Total value of dispatches of goods and related costs (excluding VAT) from Northern Ireland to EU Member States	8	0.00
Total value of acquisitions of goods and related costs (excluding VAT) made in Northern Ireland from EU Member States	9	0.00

The wording is cosmetic and does not affect your MTD submission which is unchanged.

## VAT Audit Summary

The new VAT status, PV, will be shown as a separate line on the VAT Audit Summary so that you can see the net figure of all imports and exports in the selected period.

## VAT Audit Detail

All items allocated to a PV status will be detailed separately on the VAT audit which can be exported to Excel if you need to filter the figures out.

## Postponed VAT Accounting Journal

An online statement will be available to be downloaded monthly from HMRC which will show the total VAT on imports for the month just ended. This should be included on the VAT return for that month.

The VAT total from this statement should be entered into the new option **Data Entry – Postponed VAT Accounting Journal**.

The screenshot shows a software window titled "Postponed VAT Accounting Journal". At the top right, it displays "Entry No. 394". The main area contains the following fields:

- Entry Date:** 31/01/21
- Description:** VAT postponed from January 2021
- Amount:** 1523.47

Below these fields is a summary table:

VAT Return	Input VAT	Output VAT
January 2021	1523.47	1523.47

At the bottom of the window are four buttons: "Save", "Reject", "Close", and "Help".

Enter the date on the statement to ensure that the figures are included in the correct VAT period i.e. the current one. The amount will be used to populate both boxes 1 (Output VAT) and 4 (Input VAT) on the VAT return i.e. will cancel each other out.

In certain circumstances the customs declaration may be delayed in which case the VAT incurred must be estimated. An adjustment can then be made via this option when it does come on a statement so that it is shown on the next declaration.

**PLEASE NOTE** that the exact procedures may depend on your type of business (for example goods versus services), the value of the import and the region of the UK that you are in. More details can be found at <https://www.gov.uk/guidance/complete-your-vat-return-to-account-for-import-vat>

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