

Changes to the de minimis limits to Customs duty for goods imported by post

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Who should read:	All businesses and/or individuals who import or may import 'low value' goods by post.
What is it about:	Changes to Regulation 918/83 which increases the limit on the negligible value for consignments imported by post for Customs duty from €22 (£18) to €150 (£105).
When effective:	1 December 2008
Date when paper becomes invalid:	31 August 2009

1. Background/Introduction

From 1 December 2008, Council Regulation 274/2008 dated 17 March 2008 will enter into force. This Regulation amends several articles of Council Regulation 918/83 (The Community System of Reliefs from Customs Duty).

Article 27 of Regulation 918/83 sets out the threshold for consignments despatched by letter or parcel post to be admitted free of Customs duty.

This is currently €22 (£18) but will increase to €150 (£105) from 1 December 2008.

However, Customs duty is not collected if the amount of duty due is less than €10 (£7).

2. Limits of the changes

We have identified several blogs/internet forums where these changes have been welcomed but widely misunderstood.

It appears people incorrectly believe that from 1 December 2008 goods with a value less than €150 (£105) imported from outside the EU will be admitted without any import charges being levied, but the Regulation applies only to Customs duty.

Import VAT and Excise duties (where applicable) will still apply at the current rate.

Because of this misconception, on some websites people are being wrongly advised to start their 'Christmas internet shopping' for goods imported from outside the EU, after the introduction of the increased duty limit on 1 December 2008. This last minute rush (when import VAT and if appropriate excise duty will still be charged) is obviously something both HM Revenue & Customs (HMRC) and Royal Mail want to try and avoid.

3. EURO to sterling rate

The current sterling value equivalent shown in this paper against the €150 revised de minimis will be subject to an annual review, and may be adjusted as a result of the euro exchange rate (announced in the European Commission Official Journal on the first working day in October) to take effect from 1 January 2009.

4. Further information

Further announcements and reminders will be issued in September to ensure that the widest possible audience is reached. Royal Mail Group will also be providing information about the changes.

[Click here](#) for more information about shopping on the Internet.

5. Contacts

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If you have a question about the content of this paper please use the details provided in the 'Contacts' section. For general HMRC queries speak to the National Advice Service (NAS) on Tel 0845 010 9000.

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