

Statutory Document No. 2021/0003



*Customs and Excise Act 1993*

## **CUSTOMS (IMPORT DUTY VARIATION) (EU EXIT) REGULATIONS 2020 (APPLICATION) ORDER 2021<sup>1</sup>**

*Approved by Tynwald: 17 February 2021*  
*Coming into Operation: IP completion day*

The Treasury makes the following Order under sections 1 and 3 of the Customs and Excise Act 1993.

### **1 Title**

This Order is the Customs (Import Duty Variation) (EU Exit) Regulations 2020 (Application) Order 2021.

### **2 Commencement**

- (1) This Order comes into operation on the day it is approved by Tynwald<sup>1</sup>.
- (2) However, when it is approved it shall be deemed to have come into operation on IP completion day<sup>2,3</sup>.

### **3 Application of the Customs (Import Duty Variation) (EU Exit) Regulations 2020 to the Island**

- (1) The Customs (Import Duty Variation) (EU Exit) Regulations 2020<sup>4</sup> —
  - (a) apply to the Island, as part of the law of the Island, subject to the following exceptions, modifications and adaptations; and
  - (b) are annexed to this Order in the form in which they apply as described in subparagraph (a).
- (2) In regulation 1 (citation, commencement and interpretation) —

<sup>1</sup> Tynwald procedure – affirmative under section 3(1) of the Customs and Excise Act 1993.

<sup>2</sup> Under section 3(2) of the Customs and Excise Act 1993 an order under section 1 of the Customs and Excise Act 1993 may be made retrospective and be deemed to have come into operation from such day or days as may be specified in the order, not being earlier than the date on which the corresponding provision had effect in the United Kingdom.

<sup>3</sup> “IP completion day” has the meaning given in the European Union and Trade Act 2019.

<sup>4</sup> SI 2020/1437.

- (a) in paragraph (1), omit the words “and come into force on IP completion day”;
- (b) omit paragraph (2); and
- (c) in paragraph (3) —
  - (i) for “Schedule 1 or 2”, substitute “UK Schedule 1 or UK Schedule 2”; and
  - (ii) for “United Kingdom”, in both places where it appears, substitute “Island”.
- (3) In regulation 2 (interpretation) —
  - (a) in the definition of “the Act”, after “2018”, insert “<sup>5</sup>”, as it has effect in the Island<sup>5</sup>;
  - (b) in the definition of “commodity codes”, after “regulation 2(3) of the Customs Tariff (Establishment) (EU Exit) Regulations 2020” insert “<sup>6</sup>”, as they have effect in the Island<sup>6</sup>;
  - (c) in the definition of “duty varied goods”, for “the Schedules”, substitute “UK Schedule 1 or UK Schedule 2”;
  - (d) for the definition of “importer”, substitute —
    - “*importer*” means a person liable to pay import duty in respect of the goods;
  - (e) for the definition of “import licence”, substitute —
    - “*import licence*” means a licence to import quota goods;
  - (f) after the definition of “import licence”, insert —
    - “*quota goods*” has the same meaning as regulation 2 of the Customs (Tariff Quotas) (EU Exit) Regulations 2020<sup>7</sup>, as they have effect in the Island<sup>8</sup>;
  - (g) in the definition of “standard rate of import duty”, after “regulation 2(4) of the Customs Tariff (Establishment) (EU Exit) Regulations 2020”, insert “<sup>9</sup>”, as they have effect in the Island<sup>9</sup>;
  - (h) in the definition of “Tariff of the United Kingdom”, after “regulation 1(2) of the Customs Tariff (Establishment) (EU Exit) Regulations 2020”, insert “<sup>10</sup>”, as they have effect in the Island<sup>10</sup>; and
  - (i) after the definition of “Tariff of the United Kingdom”, insert —

<sup>5</sup> The Taxation (Cross-border Trade) Act 2018 was applied to the Island by SD 2019/0080.

<sup>6</sup> SI 2020/1430 has effect in the Island by virtue of section 8 of the Act.

<sup>7</sup> SI 2020/1432.

<sup>8</sup> SI 2020/1432 has effect in the Island by virtue of section 11 and 19 of the Act.

<sup>9</sup> SI 2020/1430 has effect in the Island by virtue of section 8 of the Act.

<sup>10</sup> SI 2020/1430 has effect in the Island by virtue of section 8 of the Act.

“UK Schedule 1” means Schedule 1 to the Customs (Import Duty Variation) (EU Exit) Regulations 2020<sup>11</sup> as those Regulations are in operation in the United Kingdom from time to time (subject to section 40(3) of the Interpretation Act 2015 (of Tynwald));

“UK Schedule 2” mean Schedule 2 to the Customs (Import Duty Variation) (EU Exit) Regulations 2020<sup>12</sup> as those Regulations are in operation in the United Kingdom from time to time (subject to section 40(3) of the Interpretation Act 2015 (of Tynwald)).

- (4) In regulation 3(2) (additional duty), for “Schedule 1 or 2”, substitute UK Schedule 1 or UK Schedule 2.
- (5) In regulation 4(1) (additional duty: exceptions), for “Schedule 1”, substitute UK Schedule 1.
- (6) Omit the Schedules to the Regulations.

MADE 13<sup>TH</sup> JANUARY 2021

<sup>11</sup> SI 2020/1437.

<sup>12</sup> SI 2020/1437.



**2020 No. 1437**  
**EXITING THE EUROPEAN UNION**  
**CUSTOMS**

**The Customs (Import Duty Variation)**  
**(EU Exit) Regulations 2020**

*Made at 3.25 p.m. on 15th December 2020*  
*Laid before the House of Commons 16th December 2020*  
*Coming into force in accordance with regulation 1*

The Secretary of State, in exercise of the powers conferred by section 51(1) and (4) of the Taxation (Cross-border Trade) Act 2018<sup>13</sup>, makes the following Regulations.

**Citation, commencement and application**

1. (1) These Regulations may be cited as the Customs (Import Duty Variation) (EU Exit) Regulations 2020 and ~~come into force on IP completion day.~~
- (2) ~~These Regulations extend to the whole of the United Kingdom.~~
- (3) These Regulations apply to goods of the type specified in ~~Schedule 1 or 2~~ **UK Schedule 1 or UK Schedule 2** by reference to commodity codes—
  - (a) that have been exported from the United States of America to the ~~United Kingdom~~ **Island**;
  - (b) the importation of which into the ~~United Kingdom~~ **Island** has incurred a liability to import duty under the Act.

**Interpretation**

2. For the purposes of these Regulations, the following words and expressions have the following meaning—

“the Act” means the Taxation (Cross-border Trade) Act 2018, **as it has effect in the Island**<sup>14</sup>;

“commodity codes” has the meaning given in regulation 2(3) of the Customs Tariff (Establishment) (EU Exit) Regulations 2020<sup>15</sup>, **as they have effect in the Island**<sup>16</sup>;

“duty varied goods” means those goods listed in ~~the Schedules~~ **UK Schedule 1 or UK Schedule 2** and identified by commodity codes that correspond to certain goods or any description of goods set out in the Tariff of the United Kingdom;

~~“importer” has the meaning given in paragraph 32(1) of Schedule 4 to the Act;~~  
**“importer” means a person liable to pay import duty in respect of the goods;**

~~“import licence” means a licence granted by the Secretary of State in relation to any duty varied goods;~~

**“import licence” means a licence to import quota goods;**

**“quota goods” has the same meaning as regulation 2 of the Customs (Tariff Quotas) (EU Exit) Regulations 2020**<sup>17</sup>, **as they have effect in the**

<sup>13</sup> 2018 c.22.

<sup>14</sup> The Taxation (Cross-border Trade) Act 2018 was applied to the Island by SD 2019/0080.

<sup>15</sup> SI 2020/1430.

<sup>16</sup> SI 2020/1340 has effect in the Island by virtue of section 8 of the Act.

<sup>17</sup> SI 2020/1432.

**Island<sup>18</sup>;**

“standard rate” means the standard rate of import duty for goods falling within a commodity code as set out in the Tariff of the United Kingdom;

“standard rate of import duty” has the meaning given in regulation 2(4) of the Customs Tariff (Establishment) (EU Exit) Regulations 2020, **as they have effect in the Island<sup>19</sup>**; and

“Tariff of the United Kingdom” has the same meaning as given in regulation 1(2) of the Customs Tariff (Establishment) (EU Exit) Regulations 2020, **as they have effect in the Island<sup>20</sup>**.

**“UK Schedule 1” means Schedule 1 to the Customs (Import Duty Variation) (EU Exit) Regulations 2020<sup>21</sup> as those Regulations are in operation in the United Kingdom from time to time (subject to section 40(3) of the Interpretation Act 2015 (of Tynwald));**

**“UK Schedule 2” means Schedule 2 to the Customs (Import Duty Variation) (EU Exit) Regulations 2020<sup>22</sup> as those Regulations are in operation in the United Kingdom from time to time (subject to section 40(3) of the Interpretation Act 2015 (of Tynwald)).**

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<sup>18</sup> SI 2020/1432 has effect in the Island by virtue of section 11 and 19 of the Act.

<sup>19</sup> SI 2020/1430 has effect in the Island by virtue of section 8 of the Act.

<sup>20</sup> SI 2020/1430 has effect in the Island by virtue of section 8 of the Act.

<sup>21</sup> SI 2020/1437.

<sup>22</sup> SI 2020/1437.

### **Additional duty**

3. (1) An additional ad valorem duty ("the additional duty") applies in addition to the standard rate in relation to duty varied goods originating in the United States of America.

(2) The additional duty applicable to duty varied goods conforming to a commodity code in the first column of the table in ~~Schedule 1 or 2~~ **UK Schedule 1 or UK Schedule 2** is at the rate specified in the corresponding entry in the second column of the table in each of those Schedules.

### **Additional duty: exceptions**

4. (1) Duty varied goods are not subject to the additional duty under ~~Schedule 1~~ **UK Schedule 1** where those goods—

- (a) are the subject of an import licence issued prior to 18th May 2018 that provides for an exception to, or reduction from, the additional duty; or
- (b) were exported from the United States of America prior to 22nd June 2018.

(2) For the purposes of paragraph (1)(b), duty varied goods are "exported" when they have completed the applicable export formalities and have left the territorial waters of the United States of America.

Signed by authority of the Secretary of State for International Trade

*Greg Hands*

Minister of State for Trade Policy  
Department for International Trade

At 3.25 p.m. on 15th December 2020

## **SCHEDULES** **~~SCHEDULE 1~~**

~~Regulation 3(2)~~

### **~~Duty varied goods subject to additional duties~~**

<i>Commodity code</i>	<i>Additional duty</i>
0710 40 00	25%
0711 90 30	25%
0713 33 90	25%
1005 90 00	25%
1006 30 21	25%
1006 30 23	25%
1006 30 25	25%
1006 30 27	25%
1006 30 42	25%
1006 30 44	25%
1006 30 46	25%
1006 30 48	25%
1006 30 61	25%
1006 30 63	25%
1006 30 65	25%
1006 30 67	25%
1006 30 92	25%
1006 30 94	25%
1006 30 96	25%
1006 30 98	25%
1006 40 00	25%

1904 10 30	25%
1904 90 10	25%
2001 90 30	25%
2004 90 10	25%
2005 80 00	25%
2008 11 10	25%
2009 12 00	25%
2009 19 11	25%
2009 19 19	25%
2009 19 91	25%
2009 19 98	25%
2009 81 11	25%
2009 81 19	25%
2009 81 31	25%
2009 81 59	25%
2009 81 95	25%
2009 81 99	25%
2208 30 11	25%
2208 30 19	25%
2208 30 82	25%
2208 30 88	25%
2402 10 00	25%
2402 20 10	25%
2402 20 90	25%
2402 90 00	25%
2403 11 00	25%
2403 19 10	25%
2403 19 90	25%
2403 91 00	25%
2403 99 10	25%
2403 99 90	25%
3304 20 00	25%
3304 30 00	25%
3304 91 00	25%
6109 10 00	25%
6109 90 20	25%
6109 90 90	25%
6203 42 31	25%
6203 42 90	25%
6203 43 11	25%
6204 62 31	25%
6204 62 90	25%
6302 31 00	25%
6403 59 95	25%
7210 12 20	25%

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<i>Commodity code</i>	<i>Additional duty</i>
7210 12 80	25%
7219 12 10	25%
7219 12 90	25%
7219 13 10	25%
7219 13 90	25%
7219 32 10	25%
7219 32 90	25%
7219 33 10	25%



7219-33-90	25%
7219-34-10	25%
7219-34-90	25%
7219-35-90	25%
7222-20-11	25%
7222-20-21	25%
7222-20-29	25%
7222-20-31	25%
7222-20-81	25%
7222-20-89	25%
7222-40-10	25%
7222-40-50	25%
7222-40-90	25%
7223-00-11	25%
7223-00-19	25%
7223-00-91	25%
7226-92-00	25%
7228-30-20	25%
7228-30-41	25%
7228-30-49	25%
7228-30-61	25%
7228-30-69	25%
7228-30-70	25%
7228-30-89	25%
7228-50-20	25%
7228-50-40	25%
7228-50-69	25%
7228-50-80	25%
7229-90-20	25%
7229-90-50	25%
7229-90-90	25%
7301-20-00	25%
7304-31-20	25%
7304-31-80	25%
7304-41-00	25%
7306-30-11	25%
7306-30-19	25%
7306-30-41	25%
7306-30-49	25%
7306-30-72	25%
7306-30-77	25%
7306-30-80	25%
7306-40-20	25%
7306-40-80	25%
7307-11-10	25%
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<i>Commodity code</i>	<i>Additional duty</i>
7307-11-90	25%
7307-19-10	25%
7307-19-90	25%
7308-30-00	25%
7308-40-00	25%
7308-90-51	25%
7308-90-59	25%
7308-90-98	25%

7309-00-10	25%
7309-00-51	25%
7309-00-59	25%
7310-29-10	25%
7310-29-90	25%
7311-00-13	25%
7311-00-19	25%
7311-00-99	25%
7314-14-00	25%
7314-19-00	25%
7314-49-00	25%
7315-11-10	25%
7315-11-90	25%
7315-12-00	25%
7315-19-00	25%
7315-89-00	25%
7315-90-00	25%
7318-14-10	25%
7318-14-91	25%
7318-14-99	25%
7318-16-40	25%
7318-16-60	25%
7318-16-92	25%
7318-16-99	25%
7321-11-10	25%
7321-11-90	25%
7322-90-00	25%
7323-93-00	25%
7323-99-00	25%
7324-10-00	25%
7325-10-00	25%
7325-99-10	25%
7325-99-90	25%
7326-90-30	25%
7326-90-40	25%
7326-90-50	25%
7326-90-60	25%
7326-90-92	25%
7326-90-96	25%
7606-11-10	25%
7606-11-91	25%
7606-12-20	25%
7606-12-92	25%
7606-12-93	25%
8711-40-00	25%

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<i>Commodity code</i>	<i>Additional duty</i>
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8711-50-00	25%
8903-91-10	25%
8903-91-90	25%
8903-92-10	25%
8903-92-91	25%
8903-92-99	25%
8903-99-10	25%
8903-99-91	25%

8903-99-99	25%
9504-40-00	10%

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## SCHEDULE 2

Regulation 3(2)

~~Duty varied goods subject to additional duties~~

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<i>Commodity code</i>	<i>Additional duty</i>
9613-80-00	20%
3926-30-00	7%

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## **EXPLANATORY NOTE**

*(This note is not part of the Regulations)*

These Regulations are made by the Secretary of State under section 51(1) and (4) of the Taxation (Cross-border Trade) Act 2018 (c. 22) and are in consequence of, or otherwise connected with, the withdrawal of the United Kingdom from the European Union ("EU"). The Regulations relate to an international dispute or other issue that arose whilst the United Kingdom was a member state of the EU. As a result, this is an EU Exit statutory instrument.

Regulation 3 and the Schedules establish the rules for the continued application of an additional duty ("the additional duty") on goods identified by reference to a commodity code in either of the Schedules and originating in the United States of America. The additional duty applied by Schedule 1 was originally applied by Commission Implementing Regulations 2018/724 and 2018/886. The additional duty applied by Schedule 2 was originally applied by Commission Implementing Regulation 2020/502. The World Trade Organization's ("WTO") Agreement on Safeguards ("the WTO Agreement") provides for the right of any exporting WTO Member affected by a safeguard measure to suspend the application of substantially equivalent concessions or other obligations to the trade of the WTO Member applying the safeguard measures in certain circumstances. The additional duty provided for by regulation 3 and the Schedules constitutes a suspension of the application of substantially equivalent concessions or other obligations as authorised by the WTO Agreement.

Regulation 4 provides for two exceptions to the application of the additional duty depending on the import licence or the date of export of the goods.

This instrument is one of a group of instruments covered by an overarching Tax Information and Impact Note. The TIIN primarily focusses on the Customs Tariff (Establishment) (EU Exit) Regulations 2020 and will be available in due course at: <https://www.gov.uk/government/collections/tax-information-and-impact-notes-tiins>.

Hard copies may be requested from the Department for International Trade, 3 Whitehall Place, London SW1A 2AW. An inspection of the Regulations free of charge can be made at the Department for International trade, 3 Whitehall Place, London SW1A 2AW. A person unable to access this electronically can arrange access to a hard copy, while government advice on social distancing and unnecessary travel applies, by calling 020 7215 5000.

## ENDNOTES

### Table of Endnote References

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<sup>1</sup> The format of this legislation has been changed as provided for under section 75 of, and paragraph 2 of Schedule 1 to, the Legislation Act 2015. The changes have been approved by the Attorney General after consultation with the Clerk of Tynwald as required by section 76 of the Legislation Act 2015.