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BREXIT- IMPACT

SALE of Services to GB post 1/1/21

The UK is **leaving** the **EU VAT regime, Customs Union and Single Market** on 31 Dec 2020. Services are not part of the NI protocol so any Sale of services either to or from the UK will be treated under **Third Country Rules**. Therefore, import and export rules apply.

Sale of Services to UK VAT registered Customers

Business to business (**B2B**) transactions will now be treated as **Imports and Exports** and not EU transactions. Therefore the Irish seller applies 0% rate for exports the UK registered customer applies import VAT. There will be no requirement for the Irish supplier/customer to record transactions on their interstat and Vies returns.

Sale of Services to UK Non Registered Customers (B2C)

The place of supply rules now change to where the transaction ends, the threshold is reduced to £10,000 and the One Stop Shop (OSS) will not be available until July 2021. Therefore, in order to continue to sell services to UK private individuals you will need a facility to account for UK VAT either by fiscal representation or establishment. We can provide assistance with this process if you wish to continue to sell to UK private individuals. There will be a compliance cost to complete VAT returns etc which must be factored into your future business. Selling goods to Private customers in the UK, VAT may be accounted for through an indirect customs representative.

The Mini One Stop Shop (MOSS system)

This simplification procedure for the supply of telecommunications, broadcasting and electronic services to **Non Registered persons** will no longer apply. To continue to sell these services to GB customers you **must register for VAT in the UK** in respect of such sales.

Triangulation

GB will no longer be included in this process.

HFS - FCCA Chartered Certified Accountants, AITI Chartered Tax Advisers (CTA), Customs Agents & Advisers.



The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavour to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act upon such information without appropriate professional advice

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