



Brexit – sending parcels with DPD

Questions and answers

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Brexit – sending parcels with DPD, questions and answers

General information and restrictions after 1.1.2021:

Only legal entities may send parcels to the United Kingdom ('UK') via DPD. Sending parcels to the UK by individuals is currently NOT possible.

Sending parcels to Amazon GB **is not possible** until further notice.

Remember! When goods are shipped to a consignee in Northern Ireland, export formalities for the goods are not required, as Northern Ireland is treated as an EU Member State (ie treated as part of the customs territory of the Union).

Where and how are customs procedures carried out?

Customs procedures for the export / import of goods from / into the EU for DPDGroup are performed by the customs representative Chronopost in France. All parcels traveling on the UK - SI and SI - UK route is cleared through customs in France. Customs clearance is only possible under the incoterms clause of the DAP (export customs clearance costs are borne by the consignor, import costs are paid by the consignee).

When goods are imported into the EU, the goods are cleared through customs and released for free circulation in the French customs union by the French customs authorities. Therefore, when calculating import duties (customs, VAT, ...), their accounting system is used. The general VAT rate in France is 20 %, the reduced rate is 5.5 %. If a Slovenian recipient who is a VAT payer wishes to claim a VAT refund, he would have to identify himself in France for VAT purposes and would claim a VAT deduction through VAT returns.

From 1st of January 2022, imports of goods for companies are only possible by identifying the company in France for purposes VAT (obtains a French VAT number). In case the importer from Slovenia does not have a French VAT number the parcels will be returned to the sender.

What customs procedures are possible in the DPD system?

Currently, only definitive exports (customs procedure 10) and definitive imports (customs procedure 40) are possible.

Questions and answers related to the export of goods from the EU.

What documents and data are required for a successful export customs procedure?

Each shipment / parcel you send to the UK (except for Northern Ireland) must be accompanied by three copies of the invoices. The invoice must contain the following information:

- Name and address of sender and recipient
- The sender's and recipient's mobile phone number and email address
- Description of goods
- Value of goods
- EORI of the sender
- Recipient's EORI (in case of B2B sending)
- HMRC number (in case of B2C sending, if the value of the shipment is less than GBP 135)
- Invoices must be in English

How do we obtain an EORI number?

The EORI number shall be assigned to importers and exporters by the national customs authorities. This identification number is required for business in the customs field. Economic entities established in Slovenia and Slovenian natural persons are not required to submit applications for obtaining an EORI number. The Slovenian EORI number is the same for economic entities as the valid tax number with the SI prefix, for natural persons it is the same as the valid tax number with the SI prefix and finishing with the letter O. General information on the application for the EORI number can be found on the website of the competent ministry: https://www.fu.gov.si/carina/poslovanje_z_nami/registracija_eori/.

Why do we need an HMRC number when selling goods to end customers (individuals) in the UK?

HM Revenue & Customs (HMRC) is the UK government service responsible for collecting taxes and for part of government financial regulation. As explained on the official HMRC website, foreign (including EU) companies in the UK must identify themselves for VAT purposes if they sell goods to end customers and the goods are located outside the UK at the time of sale.

<https://www.gov.uk/government/publications/changes-to-vat-treatment-of-overseas-goods-sold-to-customers-from-1-january-2021/changes-to-vat-treatment-of-overseas-goods-sold-to-customers-from-1-january-2021>.

If the value of the shipment is up to 135 pounds (150 EUR), and the goods are outside the UK at the time of sale, online sellers must charge VAT on the invoices, and the simplified customs declaration procedure is used for customs clearance (UK VAT is therefore paid immediately on sale and not on import). Sellers pay the UK VAT directly to HMRC in accordance with the terms they accepted when registering at HMRC. Above £ 135, normal customs procedures are carried out.

How do we get an HMRC number?

An HMRC number is required for all B2C shipments with a value of less than GBP 135 (except for gifts, GIFT code). You obtain your HMRC number when you register at <https://www.gov.uk/log-in-register-hmrc-online-services>. You can also read more about the registration process at: <https://www.dpd.com/si/wp-content/uploads/sites/262/2020/12/CHR-Cluster-V-VB-je-za-blago-vrednosti-135-obvezna-nova-registracija-za-DDV.pdf>.

What are the costs of sending a parcel to the UK?

DPD additionally charges a standard export customs brokerage and the preparation of a parcel for shipment in the amount of 15.00 EUR / parcel. Each additional parcel in the shipment is charged 5.00 EUR. You add this cost to the basic price for sending a parcel to the UK, which can be found at the link <https://www.dpd.com/si/en/price-list/>.

What about when sending a gift or a letter?

In the case of sending a gift, the customs declaration must be accompanied by an appropriate commercial document, which may also be a pro forma invoice. You can also fill in a commercial or pro forma account on our website: <https://www.dpd.com/si/en/support/international/commercial-invoice/>. The enclosed invoice must contain all the information as for a commercial invoice. The purpose of sending the parcel must be clearly visible on the attached invoice. The attached customs documentation (invoice) is not required for sending a letter.

How do we issue a certificate of origin?

Information on the origin of goods can be found at the link: https://www.fu.gov.si/carina/podrocja/poreklo_blaga/.

To prove preferential origin, the behaviour of the importer and the indication of origin are used in the framework of the EU-UK Trade and Cooperation Agreement. The text of the statement on origin is given in Annex ORIG-4 to Chapter 2 of Title I of Section 1 of Part Two of the Agreement. The statement on origin shall be drawn up by the exporter himself on an invoice or on any other document describing the originating products in sufficient

detail to enable them to be identified. The customs authorities shall not issue proofs of origin. The reference to the origin must indicate the exporter's reference number identifying the exporter. For EU exporters, this is a number assigned in accordance with EU laws and regulations, which means that the REX system is used in the EU (EU exporters provide a registration number). If no number has been assigned to the exporter, the field may be left blank. In cases where the preferential arrangements applicable do not specify a threshold up to which a non-registered exporter may complete a document of origin, the threshold shall be EUR 6 000 for each consignment. This means that in the EU, any exporter can draw up an indication of origin for any consignment containing originating products with a total value not exceeding EUR 6 000, and only a registered exporter for consignments above 6000 EUR. Unlike EU exporters, UK exporters indicate their origin, GB EORI number in the indication of origin, regardless of the value of the originating products in the consignment, which means that this number must be indicated in each indication of origin drawn up by the exporters from the United Kingdom.

Frequently asked questions about UK imports

What are the costs of importing goods?

When goods are imported into the EU, the goods are cleared through customs and released for free circulation in the French customs union by the French customs authorities. Therefore, when calculating import duties (customs, VAT, ...), their accounting system is used.

The general VAT rate in France is 20%, the reduced rate is 5.5 %.

If a Slovenian recipient who is a VAT payer wishes to claim a VAT refund, he would have to identify himself in France for VAT purposes and would claim a VAT deduction through VAT returns.

From 1st of January 2022, imports of goods for companies are only possible by identifying the company in France for purposes VAT (obtains a French VAT number). In case the importer from Slovenia does not have a French VAT number the parcels will be returned to the sender.

In general, the following applies:

Procedure for goods worth up to € 150:

- B2C (final recipient is the consumer):
 - o The sender in the UK is registered on the IOSS portal: The shipment is delivered to the final consumer without additional formalities and costs, as VAT has already been charged by the sender.
 - o The consignor is not registered in the UK on the IOSS portal: The consignment is regularly cleared through customs before delivery and the final consignee must pay VAT and other costs related to customs procedures before delivery.

Procedure for goods over € 150:

- B2C (final consignee is the consumer): The consignment is regularly cleared through customs before delivery and the final consignee must pay VAT and other costs related to customs procedures before delivery.
- B2B (final consignee is a legal entity): The consignment is regularly cleared through customs before delivery and the final consignee must pay VAT (under French law), any customs duties and other costs related to customs procedures before delivery.

From 1st of January 2022, imports of goods for companies are only possible by identifying the company in France for purposes VAT (obtains a French VAT number). In case the importer from Slovenia does not have a French VAT number the parcels will be returned to the sender.

To these costs must be added the administrative costs of customs brokerage in the amount of € 7.5.

The amount of duty is calculated as follows:

- VAT IS CALCULATED FROM: VALUE OF GOODS + TRANSPORT + CUSTOMS DUTY
- CUSTOMS DUTIES ARE CALCULATED FROM: VALUE OF GOODS + TRANSPORT

All costs are reflected in the invoice you receive from the customs representative Chronopost S.A.S., Paris, France.

Why does a customs invoice issued by Chronopost issued to a company not have a tax number of the recipient?

The fifth paragraph of Article 107 of the VAT Act (Pravilnik o izvajanju zakona o davku na dodano vrednost) stipulates that a taxable person who must pay VAT as a customer, buyer or recipient of goods or services must have an invoice or other document containing the information necessary to ensure the correct calculation of VAT, and in the VAT return to show information on the amount of VAT he is obliged to pay. The invoice must therefore show the nature of the service and the amount from which VAT must be charged.

How can our company reimburse the cost of VAT if the VAT invoice is issued in France? We haven't done that before.

If a Slovenian recipient who is a VAT payer wishes to claim a VAT refund, he would have to identify himself in France for VAT purposes and would claim a VAT deduction through VAT returns.

We do not have a credit card to be able to pay the import costs of customs clearance. What now?

Payment can only be made in the manner provided by the Cronopost customs agent. Payment is only possible online with a Slovenian payment card. If you do not have the appropriate means of payment and payment is not made, the parcel will be returned to the sender.

We did not expect costs from the customs authority. Do we have to arrange the payment anyway?

If you do not want to pay the import costs, your parcel will be returned to the sender.

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