Trader Support Service

UK Internal Market Scheme (UKIMS) Webinar 2

HM Revenue & Customs

Agenda

1. Recap: What is UKIMS and how do I use it?
2. What will the transition from UKTS to UKIMS look like?
3. What are my next steps?
4. Top tips: how do I prepare for and submit my application?

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Today's Speakers

Shanker Singham

TSS Customs and Trade Policy Lead

One of the world's leading international trade experts; recognised author, adviser to governments and companies and an Academic Fellow of the Institute of Economic Affairs

Doreen Crawford

Stakeholder Engagement Manager, TSS Consortium

Trade specialist with >25 years' experience (incl. manufacturing) specialising in customs compliance and Special Customs procedures, having worked to ensure minimal disruption to businesses following implementation of the NI Protocol and Windsor Framework

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What is UKIMS?

The **UK Internal Market Scheme (UKIMS)** is an enhanced and expanded trusted trader scheme replacing UKTS, which will provide both **financial and process benefits**

Trader Support Service

HM Revenue & Customs

UKIMS benefits

Financial benefits

Declare goods 'not at risk' of moving to the EU (Sep 2023)

- No duty if entering NI **from free circulation in GB**
- UK duty applicable if entering NI **from outside the EU and the UK**
- UK duty if entering NI **from GB and the goods were not in free circulation**

Process benefits

Access green lane to move goods from GB into NI (Sep 2024)

- **Not subject to the same processes** that apply to red lane goods
- Only need to **submit a simplified dataset**, based on commercial information

What are the differences between UKTS and UKIMS?

	Establishment	Turnover threshold for companies involved in processing	Exemptions for certain businesses above threshold
From	Only businesses with physical premises in NI	**£500K**	Only when brought into NI by the processor (except for food)
To	All business established in the UK	**£2M**	Exemptions expanded to include one subsequent entity in the supply chain[1]

1. Expansion to one subsequent entity does not apply for food, which does not have this restriction

Who can apply?

Traders must:

Be established in the UK

Meet all **compliance requirements**

Meet all **records, systems, controls and evidence requirements**

Processors must:

Have a **turnover <£2m** in the most recent financial year

OR

Be **moving goods that meet the sectoral exemptions** for animal feed, healthcare, construction, not-for-profit sector and food (which, for these sectors, you will be able to sell the goods on to **one subsequent entity**)

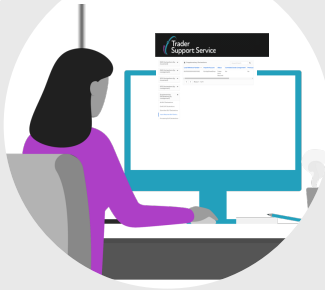
How does UKIMS work?

Trader is **UKIMS authorised** and verified on their **TSS Profile**

Trader **raises goods movement** with TSS

Trader´s **goods approved for movement from GB-NI**

Trader´s goods **move from GB to NI**



Trader completes **supplementary declaration[1] using NIREM** in conjunction with **UKIMS**

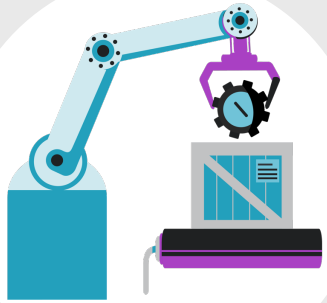
1. Supplementary declarations will be removed from September 2024

Goods subject to processing where turnover is >£2M must meet one of these sectoral exemptions

Animal Feed*
Final use of animal feed on premises in NI

Food
For sale to end consumers in the UK

Healthcare*
Directly providing health or care services in NI

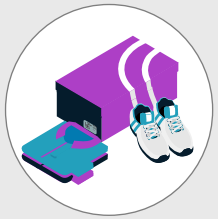


Construction*
Where the processed goods form a permanent part of a structure that is constructed and located in NI

Non-profit*
For non-profit activities in NI, where there is no subsequent sale of the processed goods

*You can sell the goods on to **one subsequent entity** in the supply chain

What does this mean for me?



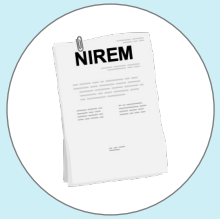
Trader **imports** sports clothing goods **into NI**

Goods would be **subject to duty** if moving **into the EU**

Goods are **remaining in NI 'not at risk'** of moving into the EU

UKIMS AUTHORISED

ERIN

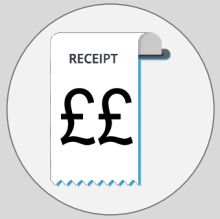


Erin has **UKIMS authorisation** so can use NIREM on her declaration

Erin does not pay duty

NOT UKIMS AUTHORISED

LINDA



Linda's goods are **not zero rated** and **she can't claim NIREM**
Linda may **need to pay applicable duty**

Linda may use the **Duty Reimbursement Scheme** if eligible to **reclaim duty paid**

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When does the change happen?

	Currently	2023 From 30 September	2024 From September
	I apply for UKIMS	UKIMS replaces UKTS	HMRC Green Lane process benefits comes into effect
UKTS TRADER	I use **UKTS to declare goods 'not at risk'**	Can use UKIMS to declare goods 'not at risk' for tariff benefit	Gain access to the HMRC Green Lane process benefits
OR	OR		
NEWLY ELIGIBLE TRADER	I can only declare **'not at risk' under applicable duties**		Maintain tariff benefit

What happens if I am not UKIMS-authorised?

NOT UKIMS AUTHORISED

BOB

UKTS REGISTERED

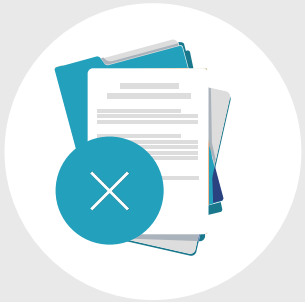
Currently

Uses UKTS

Declares goods as **'not at risk' through UKTS**

30 September 2023

UKIMS replaces UKTS



Bob **cannot use UKIMS** as he has not applied

UKIMS must be used to declare goods 'not at risk'[1]

Bob receives his goods and may **pay any applicable EU duty**

He cannot declare goods 'not at risk'[1]

Bob may be eligible to **claim duty reimbursement** after goods have moved or via other methods

1. Unless under applicable duties

It is not too late to apply for UKIMS

HMRC are still processing applications and are **committed to processing them as quickly as possible**

It takes time to process and authorise your application

The **sooner you apply, the sooner you can claim financial benefit** from 30 September 2023

The UKIMS application process will not close

You can still apply now

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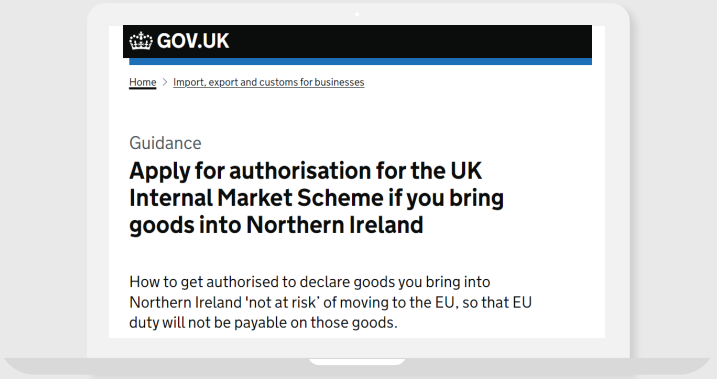
There is plenty of support available to help you with your application

1
Start UKIMS application today

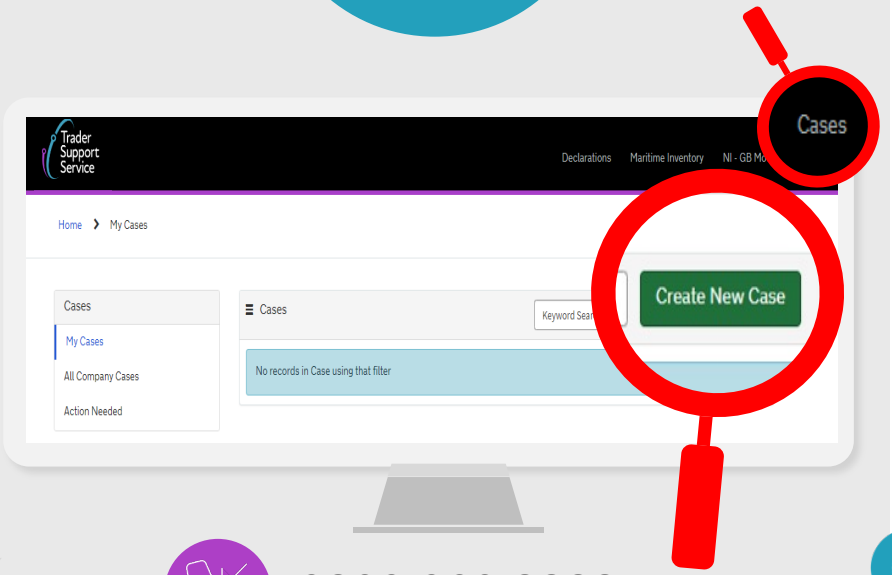
Visit GOV.UK



2
Stuck? Visit NICTA

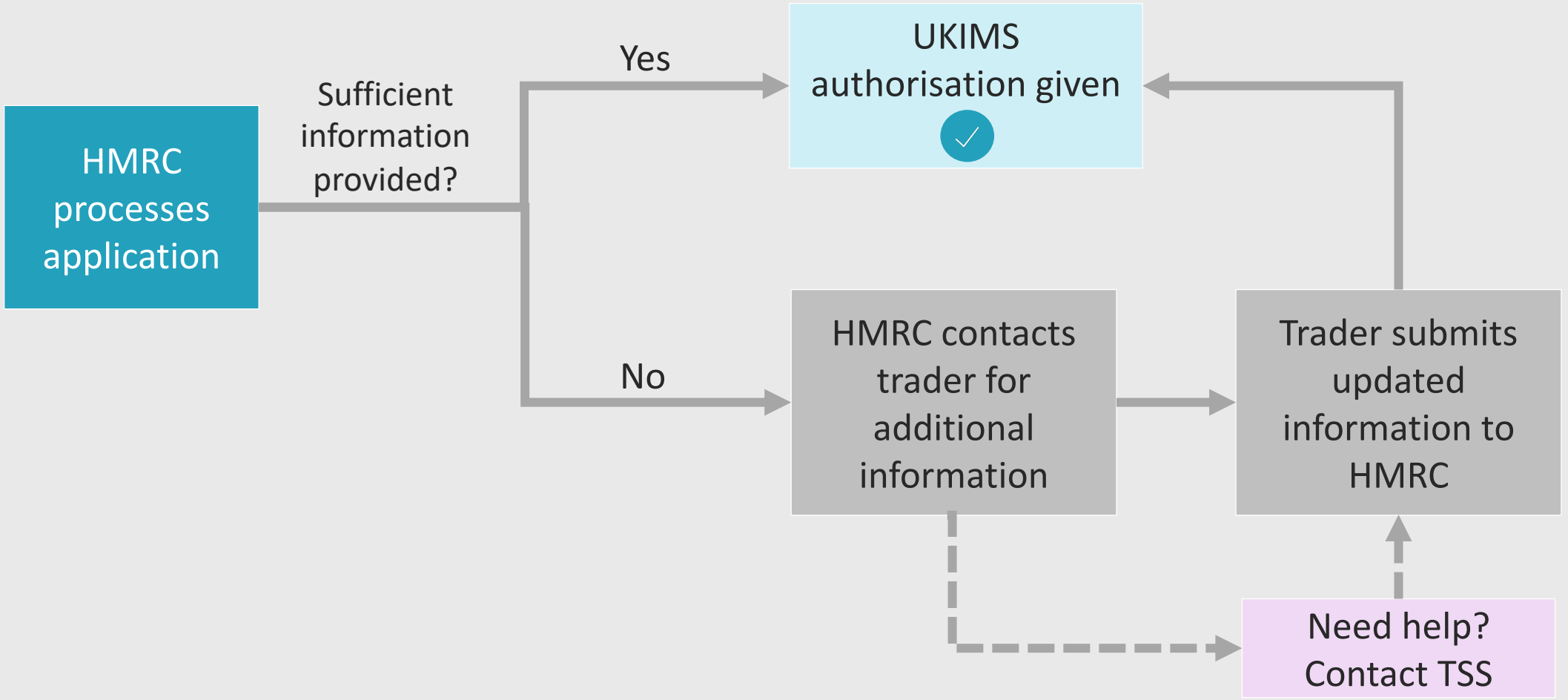
Access our G-form walkthrough and UKIMS FAQs

3
Still unsure? Contact TSS



0800 060 8888

What happens to my application?



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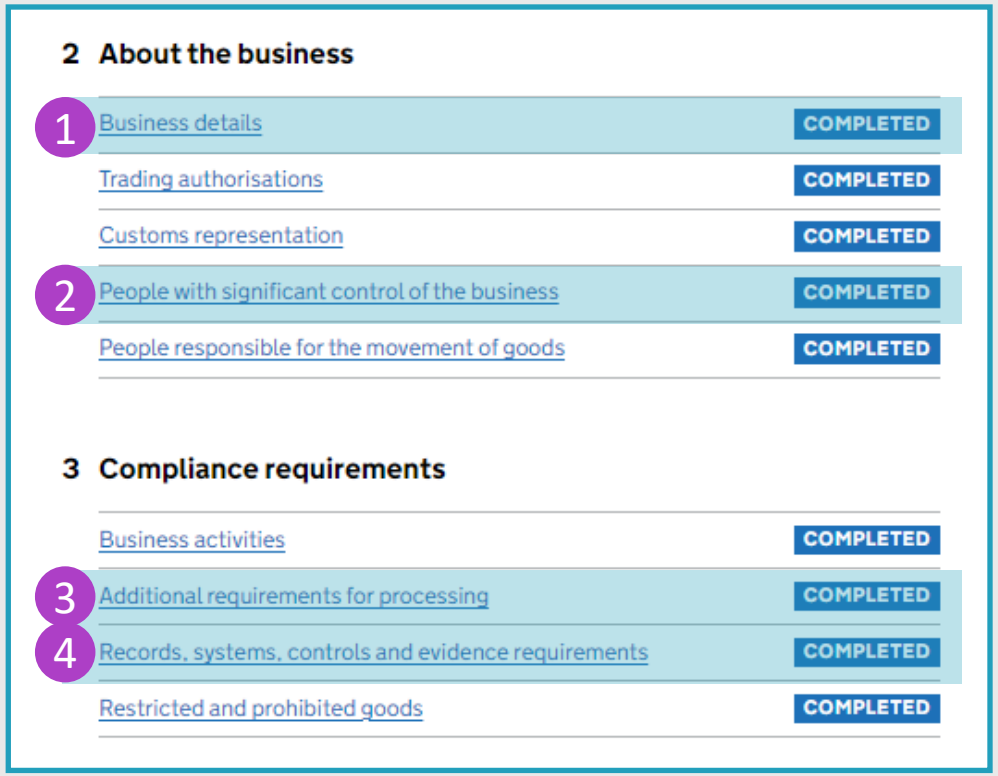
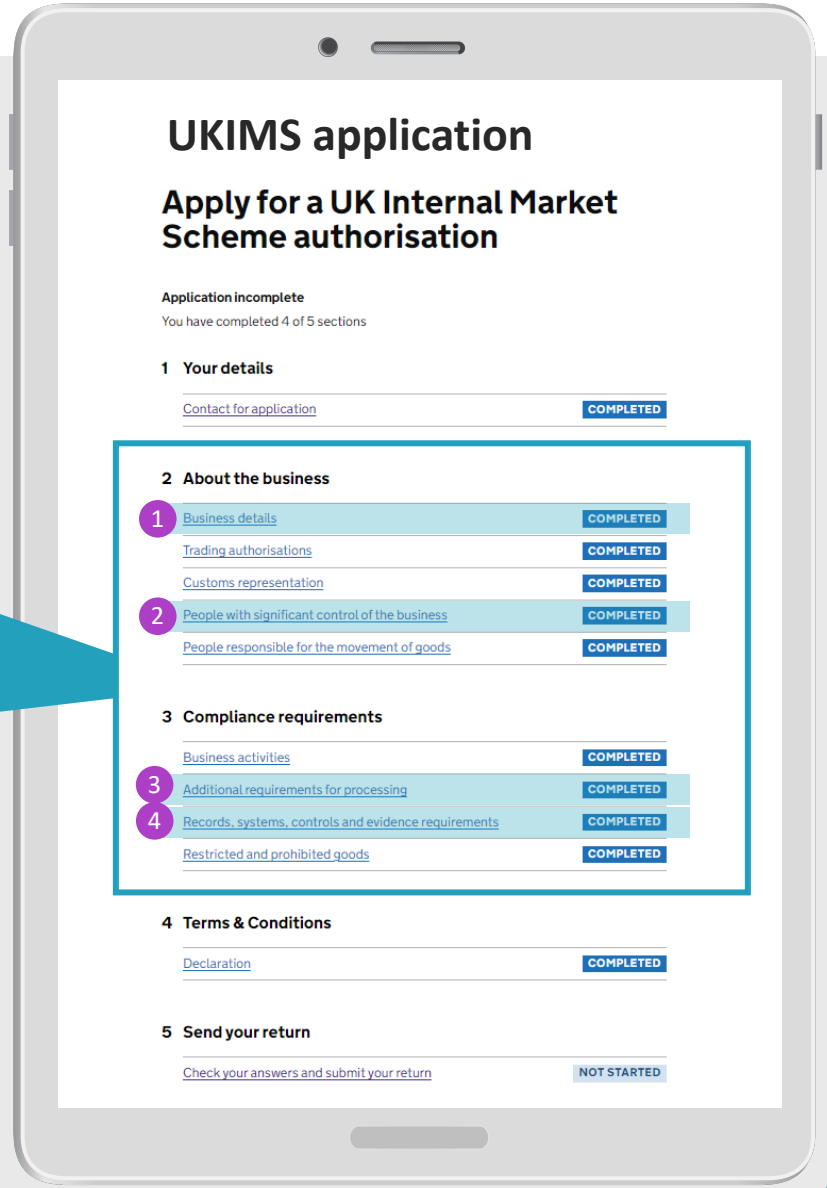
There are four common mistakes we see when traders fill out their UKIMS applications

Deep-dive next





Common mistake 1
Company address is incorrectly filled

Business details

- ☑ Ensure business address has been **updated across all systems** (incl. Companies House, AD01, HMRC)

- ☑ Business address on other HMRC systems **must match your application form**

Common mistake 2

Not all ‘persons with significant control’ are listed

People with significant control of the business

- ✓ Provide details of **all persons with significant control** of the business
- ✓ Add details of **all company directors** as listed on **Companies House**
- ✓ Tell HMRC **who is responsible** for movement of the goods

Common mistake 3
Incomplete information about processing

Additional requirements for processing

- ✓ Provide as much information as possible
- ✓ Explain the **type of goods** you will be moving
- ✓ Provide **details of the supply chain**
- ✓ Explain your **role in the supply chain**

Common mistake 4

Incorrect or incomplete examples of evidence are provided for records

Record keeping

- ✓ As much information as possible
- ✓ Name of the **specific software** you use to **keep your records**
- ✓ Description of **how you use your software**
- ✓ Details on **how you can track goods** from import to final sale or use
- ✓ Procedures you have to **backup and recover physical and digital information**

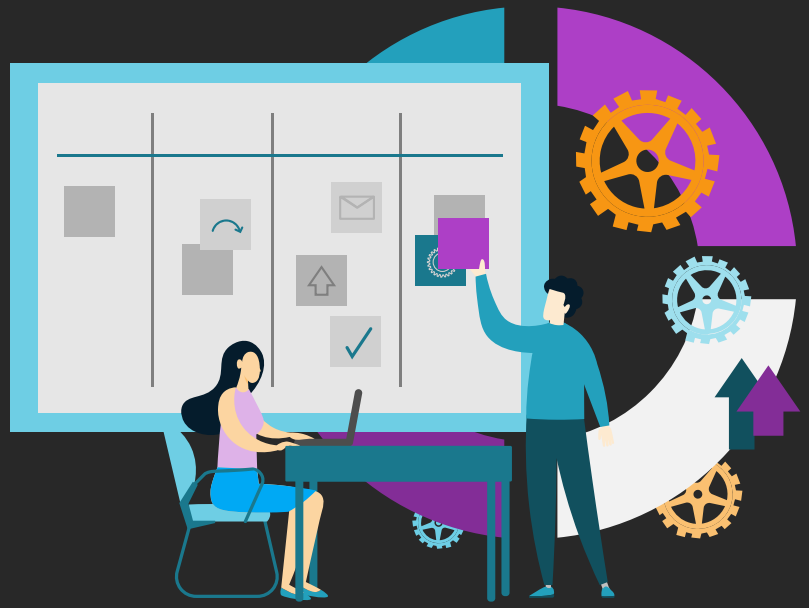
George receives ingredients from his GB supplier for his restaurant in Belfast

Examples of supporting evidence:

- ✓ Logistics systems, stock control processes
- ✓ Tools used for **accounting** purposes
- ✓ **Transport records** showing end use of goods
- ✓ Information backed up on an **encrypted hard drive**

Q&A

Further information



- **Please consult Gov.uk guidance**
- **NICTA - Northern Ireland Customs & Trade Academy**
  - Recording
  - FAQ
- **TSS - Trader Support Service**
  - TSS contact centre:
    0800 060 8888 (English)
    0800 060 8988 (Cymraeg)
  - Scan QR code to register to TSS now

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