

on't get caught out by Brexit changes

If you're buying from UK websites be sure to check out the small print before you pay, says Grainne Rothery



Irish shoppers could have to pay VAT and customs on items from the UK

Grainne Rothery Sunday February 07 2021, 12:01am GMT, The Sunday Times

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UK websites have long been an important part of many Irish consumers' online buying activity. Brexit has changed the rules for online trading between the UK and the EU — with the result that shoppers here could face extra costs on their purchases while also losing the automatic right to certain protections.

To avoid any unwelcome surprises, European Consumer Centre Ireland (ECC) says that shoppers should always read the terms and conditions and delivery information carefully when ordering online from the UK.

Consumer rights, redress options and possible extra costs will depend on where the goods are actually being shipped from. For example, if you buy from a UK brand with a registered Irish company you will have the same overall consumer rights and redress options as before.

“Even post-Brexit, with respect to purchases made from Ireland in the UK, Irish consumers can be assured that consumer rights applicable under UK consumer law are similar to Irish and EU consumer rights as they are based on EU directives and regulations,” the ECC says.

An Post, which has 212,000 registered AddressPal users and offers virtual addresses in the UK and the US, says that it has no plans to discontinue the service. The company has added a €3.50 administration fee to the existing €6.50 AddressPal service fee.

Gill says that many AddressPal customers have shopped in the US, which involves paying customs charges, so they are accustomed to the process.

“We definitely saw a dip in the first two weeks of January in AddressPal as customers figured out the charges and if it is still worth buying from the UK if you have to pay the VAT,” Gill says.

“But actually volumes are coming back up to close to what they were in 2020. People are still seeking products they can't get in Ireland from the UK and the US.” Gill's main advice for customers buying from the UK is to check to see if VAT has been charged and is showing up in the shopping basket. “If not it will likely be charged before it gets delivered,” she says.

Shoponlineireland.com has a handy directory of retailers — from Cult Beauty to Pretty Little Thing — that sell into the Irish market from various jurisdictions, including the UK and the US. It also lists the retailers that take care of extra charges at the checkout and those that offer free returns.

Beware of scammers preying on confusion



ALAMY

On the back of the new charges being imposed on some packages coming in from the UK, the Banking Payments Federation of Ireland (BPF) is urging consumers to pay extra attention to emails or text messages seeking payments for customs and VAT.

The BPF says people should be wary of clicking on links in emails or text messages. It also recommends thinking about whether you're actually expecting a parcel.

It advises against responding to an unsolicited text/SMS message before independently validating that it is from who it says it is from.

You can do this by looking up the phone number by going to the website directly yourself — do not use a phone number provided in the text because it could be fake.

Never give away personal information, bank account details or security details such as your PIN or online password.

One of the most significant changes — and potential headaches — is the need to pay VAT and possibly customs charges on items coming in from the UK (excluding Northern Ireland), depending on the value and the type of item.

For example, no additional charges are due on goods imported from the UK costing €22 or less — this sum includes what you pay for shipping, delivery, handling and insurance. Irish VAT at 21 per cent is payable on purchases over that amount. And goods costing over €150 are liable to customs duty.

Meanwhile, all alcohol, tobacco, perfume and eau de toilette are subject to Irish VAT, customs duty and excise duty. At the other end of scale, items that originated in the UK are free of tariffs.

In many cases any additional charges will be paid at the point of sale rather than when a package arrives on your doorstep.

An Post, for example, has spent the past two years building a system to enable its UK-based retail customers to apply the relevant VAT and customs charges as shoppers reach the checkout.

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“The shopper has paid in advance so there's no impact on their delivery,” says Julie Gill, the marketing director in An Post's mails and parcels division. “For us that was crucial to ensuring there was still a seamless transaction for end users and they didn't have to pay extra charges after buying their items.”

Doireann Sweeney, the head of corporate communications at the Competition and Consumer Protection Commission (CCPC), says that you can refuse to pay any extra charges if you were not told about them when making your purchase.

“However, before you do so we would recommend that you contact the business to tell them that you were not informed about the extra charges and are returning the items and require a refund,” she says.

“The important point to note is that it may be difficult to enforce your rights against a UK business. This means that even though a company should tell you about taxes and charges in advance, you may have difficulty getting your refund if it doesn't engage with you.”

Shoppers with UK virtual addresses will more than likely have to pay extra charges on their deliveries. A number of carriers, including DPD and Parcel Motel, are no longer offering or have suspended their virtual address services.

Check the T&Cs

If you're buying from a non-EU website — including a UK site — you may not automatically have the right to return a purchase, or the time frames for returns may have changed.

The Competition and Consumer Protection Commission emphasises the importance of always checking the terms and conditions before buying to find out the retailer's policy on returns.

So, for example, can you return an item if you change your mind and what is the time frame? Can you cancel an order before it is sent to you? Who pays for the cost of returning the item — is it you or the seller?

Also, check what the terms and conditions are around faulty products and whether there are limits on returns or the faulty goods policy. If you're not happy with what you find out, consider buying from a different retailer.