

Ten ways to limit the costs and headaches of Brexit playing field

Spending money in UK could turn into a real financial headache now Brexit is here, writes Louise McBride

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It is likely to be some time before the dust around Brexit settles. Already this month, Brexit chaos has led to empty shelves in supermarkets in Northern Ireland, some disruption to the supplies of supermarkets in the Republic, parcel delays for Irish online shoppers, and logjams at ports.

For Irish consumers who continue to buy from - or have financial dealings with - the UK, Brexit has thrown them onto a whole new playing field. There are new rules and charges to grapple with - and lessons to be learned around where they now stand.

Here are ten rules of thumb which should make your life easier in the new Brexit playing field.

Keep your online order below €22 - but beware July 2021

It could cost you more - and be more complicated - to buy from UK online shops now than it did before Brexit. You may have to pay taxes and duties (such as Vat, customs duty and excise duty) when buying from UK-based retailers - depending on the value and origin of the goods being bought. (These additional charges don't apply to goods bought from Northern Ireland.)

You can currently avoid import charges by keeping the value (including cost, transport, insurance and handling charges) of any item ordered from the UK below €22. Where the customs value is more than €22, you must usually pay Irish Vat - even if you have been charged UK Vat on your purchase. You need to seek a refund of the UK Vat from the supplier if you have been charged for it.

Where the value of the item alone (excluding transport, insurance and handling charges) is more than €150, you may have to pay both Vat and

customs duty. "Where the goods have originated in the UK, no customs duty will apply - as per the terms of the EU-UK Trade and Cooperation Agreement," said a spokeswoman for Revenue.

"However, customs duty will apply where the goods have not originated in the UK."

Be aware that from July 2021, the Vat exemption on parcels worth less than €22 will be withdrawn - so from that date, Vat will have to be paid on all items ordered from the UK (and other countries outside the EU), regardless of their value.

Only deal with UK online shops that have built Irish tax into the price tag

You can make buying from UK online shops more straightforward by only dealing with UK retailers that are registered for Vat in Ireland and using a 'duty paid' model. "If the retailer is registered for Vat in Ireland, or is operating a 'duty paid' model, the total price paid for the goods at the time of purchase will include Irish Vat and any customs duty due - meaning no further Revenue charges will arise on delivery," said a Revenue spokeswoman.

"Otherwise, the amount of Vat and duties (if any) will be calculated by customs - based on the information provided in the customs declaration. The consumer must pay any additional charges to the postal service or courier company before the goods are delivered."

Be aware too that to be able to receive an item ordered online from a UK retailer, you may have to pay a €3.50 handing fee to An Post - unless the shop has a 'duty paid' arrangement in place with An Post.

Revenue has advised consumers buying online from UK retailers to be sure what they are buying, where the goods originated from, and to check the supplier's terms and conditions around returns and refunds.

Don't order from a UK online shop if it's for an imminent birthday

Irish consumers have been warned that they could be facing months of disruption for parcels ordered from UK online retailers - largely as a result of the new rules in place for bringing goods into Ireland from the UK. So if you're ordering a gift online for

a loved one's fast-approaching birthday, buy from an Irish store rather than a UK one.

Be prepared for hitches when resolving issues with UK shops

Irish consumers still have consumer rights when buying from UK retailers - however these rights will now generally be set down in UK law rather than EU law. As the UK has been a long-standing member of the EU, it has incorporated EU laws and rules into its own consumer protection laws, according to the Competition and Consumer Protection Commission (CCPC).

"Therefore, at this time, consumer protection laws in both the EU and the UK are currently broadly aligned," said a spokeswoman for the CCPC. "The most significant change that Irish consumers are now facing when it comes to consumer rights and protections is their ability to enforce their rights when they buy goods from UK-based businesses - which means that it may be more difficult to resolve a dispute with a retailer based in the UK." Contact ECC Ireland (eccireland.ie) if you run into problems with a UK-based retailer (such as a faulty item or non-delivery of an item) and are unable to resolve the issue with the shop. ECC Ireland can provide advice and support to Irish consumers who have problems dealing with UK retailers.

Remember, even though UK and EU consumer protection law are currently broadly similar, this may not continue to be the case - because as the UK is no longer an EU member, there is now scope for UK regulations to change over time. "There are a number of new EU regulations to be transposed over the coming years which will further strengthen the rights of consumers in the EU and this will be an area to watch carefully," said the CCPC spokeswoman. "As the UK is no longer an EU member state, they may now choose whether or not to adopt similar legislation within UK law." Remember that UK consumer protection law also applies to Northern Ireland-based retailers.

Don't go on a UK shopping spree

You may have to pay import charges when you arrive home if you travel to the UK, buy goods while there, and then take them back to Ireland.

These charges must be paid at the airport or port of arrival. You can bring home a certain amount of goods free of tax and excise duties - as long as you are within your duty-free allowance.

"You can bring in [general] goods free of duty and tax if their combined value is no more than €430 (if you are 15 or over) - or €215 if you are under 15," said a spokeswoman for Revenue. "If a single item is worth more than your allowance, you must pay duty or tax on the full value. If you are bringing back any duty-free goods you bought when you travelled out from Ireland, these count as part of your allowance."

Bear in mind that there are also specific allowances for the amount of alcohol and tobacco which you can bring home duty-free. For example, you cannot take home more than 200 cigarettes duty-free if travelling to Ireland from a country outside the EU.

You must declare any goods that exceed your personal allowances - or any prohibited or restricted items that you are carrying - to a customs officer when you arrive back in Ireland. People travelling from the North to the Republic cannot take advantage of the UK's duty-free shopping - as it only applies to goods bought in airports and ports. Either way, rules are in place to ensure that goods can move throughout the island of Ireland without the need for customs declarations. Remember too that import charges don't apply if you buy goods when visiting Northern Ireland.

Ask any family in the UK not to send you gifts worth more than €45

You may have to pay customs duty or Vat on a gift sent to you from someone in the UK - if certain conditions are not met. To be exempt from customs duty or Vat, the value of the gift must typically be €45 or less, and the gift must be correctly declared and sent by a private individual in the UK to a private individual in Ireland. The gift must also be for personal or family use and of an occasional nature (such as a birthday or anniversary present). Furthermore, as the receiver of the gift, you must not have paid for it.

Bear in mind that gifts of alcohol, tobacco products, perfumes or toilet waters are generally not exempt from Vat or excise duty - though they may be exempt from customs duty if within specific allowances. For a bottle of eau de toilette (worth no more than €45) to be exempt from customs duty for example, it must weigh no more than 250ml.

Don't have more than €10,000 in cash on you if travelling to the UK

You must make a declaration to customs if carrying cash of €10,000 or more when travelling to the UK from Ireland. This declaration must be made if carrying such cash when leaving or returning to Ireland. The cash may be seized if it isn't declared, if it hasn't been properly declared or if the customs officer has reasonable grounds to believe that it represents the proceeds of crime - or is intended for use in criminal conduct. The requirement to make such a declaration does not apply if travelling from the Republic of Ireland to Northern Ireland.

Fly with an EU airline if visiting UK

For Irish people flying to the UK, travelling with an EU-based airline is one way to ensure they can still rely on the protection of EU law. The air passenger rights available under EU law protect you in the event that your flight is cancelled or delayed - and may allow you to claim compensation from an airline. These rights apply to all passengers departing from airports within the EU and the European Economic Area - and in certain circumstances, will also apply to passengers departing from airports outside the EU and European Economic Area.

"If the flight is with an airline based in the EU, the consumer will as a general rule continue to maintain their passenger rights as an EU citizen to compensation - regardless of whether they travel to or from the UK," said Cyril Sullivan, director of ECC Ireland. "If, on the other hand, the flight is from the UK to an EU country with an airline that is not based in the EU, then the passenger will not be covered by EU air passenger rights. Each flight would have a unique status so if you departed from Dublin to London on a return ticket on a

non-EU airline, EU law would apply on your Dublin to London trip - but not on the return leg. However, it is my understanding that if you took a series of connecting flights with a non-EU carrier and these flights started in Ireland, then EU law would apply for the whole journey."

It's worth noting that there are still air passenger rights and protections for those flying to and from the UK. "The main change [since Brexit] is that the European support and oversight no longer applies," said Sullivan. "Therefore, consumers can be assured that the same rights for compensation and reimbursement continue to be afforded them but their application under EU regulation and EU oversight protection is no longer there."

Only book package holidays with a UK travel agent if it markets in Ireland

There are EU rules in place which protect you when you book a package holiday if the operator is based within the bloc. For example, you can get back money you have paid for a package holiday should your travel agent go bust before your holiday starts - as long as the agent is licensed. Now that the UK has left the EU, you can no longer rely on the protection of EU law for package holidays bought from a travel agency in the UK - unless that travel agent has marketed its package holidays in Ireland.

"Under EU consumer law on package travel, in circumstances where a travel agent based outside the EU (including the UK) actively sells or markets its package holidays to Irish consumers, EU consumer rights and protections will still apply," said a spokeswoman for the CCPC.

There is a snag however: consumer protection law does not outline how you would definitively prove that a UK-based travel agent is actively selling or marketing its package holidays to Irish consumers. However, if a UK-based travel agent has engaged in a number of commercial activities, this should help prove that it is marketing to Irish consumers. These activities, according to the CCPC, could include the use of a website domain name which suggests a connection with Ireland or specific to Ireland - such as "ourshop4ireland.com" or "anystore.ie". A reference to Irish taxes and

charges (such as the display of prices inclusive of Irish Vat) and Irish contact details (such as Irish telephone numbers) in the travel agent's website or brochures could also be evidence that a travel agent is marketing to Irish consumers. So too could statements from the company which suggest a strong focus on the Irish market - such as "Ireland's number one travel agent".

However, if the only evidence you have is that the travel agent has a website which allows Irish consumers to place orders online, "this would not be sufficient to prove proactive selling or marketing within the Irish market," said the CCPC spokeswoman. This would also be the case if the travel agent's website uses the English language or the euro currency - given the widespread use of the English language and the euro.

Know where you stand if buying a package holiday from a UK travel agent

Find out where you will stand if things go wrong (such as if the tour operator goes bust or if your holiday is cancelled) if considering buying a package holiday from a UK-based travel agent. Ask the operator if you will get a refund or compensation if it goes bust before your holiday begins - and if it will arrange to get you home if it becomes insolvent while you are on holiday. Check if your holiday is covered by ATOL - the British scheme which protects consumers from losing money if they book a holiday with a British travel company. It could be safer, and much less hassle, to simply book your holiday with an Irish travel agent licensed by the Commission for Aviation Regulation.