Notice of UK obligations

As an approved fulfilment business under the FHDDS, I have an obligation to tell my customers the following:

1. VAT and customs duty rules in the UK

If you are established outside the EU and sell goods to customers in the UK, you may have to pay UK import VAT on the goods when they arrive in the UK. You may also have to pay duty. For more information go to **www.gov.uk/starting-to-import/importing-from-noneu-countries** and **www.gov.uk/guidance/vat-what-to-do-if-youre-an-overseas-business-selling-goods-in-the-uk**

Any person who makes taxable supplies in the UK may have a liability to be registered in the UK even if they have no physical presence here. The UK tax authority, HMRC, refer to such persons as non-established taxable persons (NETPs). For more information go to **www.gov.uk** and search for 'vatreg37150'.

2. Storage of goods in the UK

As a business that stores goods in the UK for sellers established outside the EU, I have acquired approval following application for the FHDDS. As an approved business I must keep certain records and carry out checks on my overseas customers and the goods stored.

As a FHDDS approved business I must notify HMRC where I know or have reasonable grounds to suspect that any of my customers are not meeting their UK tax and duty obligations (section 1 above). I am required to do this within 30 days of the contravention coming to my attention.

I must cease supplying services to that customer within 60 days of discovering that they have failed to meet an obligation, and they have not changed practices to meet their obligations.

If I as an approved fulfilment business fail to comply with the obligations set out above then I may be liable to a penalty of £3,000 for each failure. I could also have my approval to carry on a fulfilment business revoked.

3. More information

For more information on the FHDDS go to **www.gov.uk/guidance/fulfilment-house-due-diligence-scheme**

For more information on VAT and how to register go to **www.gov.uk/vat-registration**