

Reduction in the level of the Low Value Consignment Relief

Customs Information Paper (11) 42	
Who should read:	Any individual or business who will be importing goods with a value over £15 from outside the European Union (including the Channel Islands).
What is it about:	The announcement in the Budget that the Low Value Consignment Relief (LVCR) threshold, below which goods imported from outside the EU are VAT-free is to be reduced from £18 to £15.
When effective:	1 November 2011.
Extant until/expires:	N/a.

1. Introduction

The Chancellor announced in the Budget that Legislation will be introduced in Finance Bill 2011 to lower the Low Value Consignment Relief (LVCR) threshold, below which goods imported from outside the EU are VAT-free, from £18 to £15.

2. The main changes to LVCR

2.1. The LVCR threshold will be reduced from £18 to £15 from 1 November 2011.

From this date if an item is imported that has a value of **£15.01 or greater** it will be subject to import VAT.

3 Who will be affected by this change?

3.1 Items imported by post

Any business or private consumer who imports low value goods from non-EU countries (including the Channel Islands) using the services of Royal Mail or Parcelforce on a CN22 or CN23 postal declaration.

3.2 Low value items imported by a freight agent

Goods imported by either businesses or individuals which are entered to customs on a C88 by a freight agent as 'low value' and those goods entered using the Low Value Bulking Import (LVBI) concession procedures.

The Tariff and the relevant Customs Procedure Codes (CPCs) will be amended to reflect the reduction from £18 to £15 in due course.

4. Further information and contacts

The [Tax information and Impact Note on LVCR \(PDF, 330K\)](#) is available on the HMRC website.

If you have any questions about this change, please contact:

CITEX Written Enquiry Team
HM Revenue & Customs
Crownhill Court
Tailyour Road
Plymouth
PL6 5BZ

Excise and Customs Helpline Tel 0845 010 9000.

Please also see the HMRC website for details of [how to email your customs enquiry](#).

Issued on the 5 May 2011 by the [JCCC Secretary](#), HMRC, Excise, Customs, Stamps & Money Directorate.

If you have a question about the content of this paper please use the details provided in the Contacts section. For general queries please call the Excise and Customs Helpline on Tel 0845 010 9000.

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