

Notes on Taxation (Post-transition Period) Bill resolutions 8th December 2020

1. Northern Ireland

Authorises the Taxation (Post-transition Period) Bill to make provision about the taxation of goods in Northern Ireland, as well as taxation on goods being moved into, or out of, Northern Ireland. This will allow for the implementation of the fiscal aspects of the Northern Ireland Protocol. This includes the imposition of customs charges on the movement of certain goods arriving in and leaving Northern Ireland. It will also enable provision to be made about VAT in Northern Ireland, including the preservation of the system of acquisition VAT for goods acquired from the European Union. It will also enable provision to be made about excise duty in Northern Ireland.

2. Value added tax (ERICs etc)

Authorises the Taxation (Post-transition Period) Bill to make provision about miscellaneous VAT matters. This may include provision about the zero-rating of supplies to European Research Infrastructure Consortia, about how the place of supply of energy is determined and repealing provisions about “call-off stock” arrangements. In addition it will allow for minor technical changes about fiscal warehouses.

3. Rate of fuel duty on aviation gasoline

Authorises the Taxation (Post-transition Period) Bill to make provision amending section 6(1A)(aa) of the Hydrocarbon Oil Duties Act 1979 (which sets the rate of fuel duty on aviation gasoline).

4. Value added tax (online sales by overseas persons and low value importations)

Authorises the Taxation (Post-transition Period) Bill to make provision about VAT on supplies facilitated by online marketplaces and VAT on low value importations.

5. Insurance premium tax (liability of insured)

Authorises the Taxation (Post-transition Period) Bill to make provision amending section 65 of the Finance Act 1994.

6. Controlled foreign companies (recovery of unlawful state aid)

Authorises the Taxation (Post-transition Period) Bill to make provision in connection with Commission Decision (EU) 2019/ 1352 of 2 April 2019 on the state aid SA.44896 implemented by the United Kingdom concerning the CFC Group Financing Exemption.

Territorial extent and application in the United Kingdom

In the view of HM Government, each of the resolutions for this Bill (if passed) would authorise provision that extends and applies to the whole of the United Kingdom.