

Boating after BREXIT - a brief guide from Clarke & Carter

The information provided in this guide is intended as a simple tool for boat owners, buyers, and sellers to get an initial impression of their personal situation. It is based on information that we have been provided or sourced, and our interpretation of it, and as such should not be relied upon for decision making or planning. It is also not an exhaustive list of all circumstances, however it does provide examples of some of the most common situations. Further detailed information can be found on GOV.UK and the RYA website at the following clickable links, together with the Schengen Visa calculator. We recommend that if you have any concerns or queries advice is sought by contacting HMRC, the RYA, or seeking independent legal advice:

<https://www.gov.uk/government/publications/notice-8-sailing-your-pleasure-craft-to-and-from-the-uk>

<https://www.gov.uk/visit-europe-1-january-2021>

<https://www.schengenvisainfo.com/visa-calculator/>

<https://www.rya.org.uk/knowledge-advice/current-affairs/Pages/brexit-what-happens-next.aspx>

<https://www.rya.org.uk/knowledge-advice/current-affairs/Pages/Brexit.aspx#3> (for lobbying your MP)

Whether you currently own a boat, or want to buy one in the future, a vital piece of information now required is evidence of where a boat was lying at the time of the UK leaving the EU. The following information may help you decide what you need to do now, or consider in the future.

BREXIT - SUGGESTED SUITABLE EVIDENCE OF LOCATION AT 11PM ON 31/12/2020

As a boat's VAT status was effected by it's location (either within the UK or EU) at 11pm on 31st December 2020 it is vital that evidence proving where it was lying is obtained, and passed on as part of the Title documents in any future sale.

No official document is required or available, however ideally a letter should be provided by the marina, boat yard, club, or storage facility (including brokerage or boat sales company if your boat is lying on their storage) stating the location of your boat at the applicable UK address at 11pm on December 31st 2020.

A receipt for berthing or storage across this period is also likely to be considered good evidence, if these are not available receipts for services carried out by professionals either side of the date stating the location, and/or date and GPS tagged images, may also be considered acceptable evidence.

BOAT OWNERS - OWNING AND USING YOUR BOAT AFTER BREXIT

Boat in UK at 11pm on 31/12/2020 VAT STATUS: UK VAT PAID*		Boat in EU at 11pm on 31/12/2020 VAT STATUS: EU VAT PAID*	
USE/KEEP BOAT IN UK	USE/KEEP BOAT IN EU	USE/KEEP BOAT IN EU	USE/KEEP BOAT IN UK
<p>Obtain evidence of location (see our BREXIT evidence advice)</p> <p>Carry on using your boat as usual!</p>	<p>Obtain evidence of location (see our BREXIT evidence advice)</p> <p>Your boat can visit the EU under Temporary Admission terms (see GOV.uk or RYA for further info), essentially this allows it to stay for up to 18mths in EU waters, then must pay EU VAT or leave, the 18mth period countdown can be reset by leaving EU waters (no minimum period applies), getting evidence, and then returning (we advise you seek advice on suitable evidence as this may vary depending on location)</p> <p>As a UK citizen you should be eligible to visit EU countries in the Schengen area for a maximum of 90 days in a 180 day rolling period. Extended visas may be available in certain countries, and non-Schengen countries may allow a similar period, but this should all be checked before travel, see GOV.uk for more detailed info</p> <p>Check for proof of competency requirements, insurance, medical cover, and other personal conditions for each country that you intend on visiting</p>	<p>Obtain evidence of location (see our BREXIT evidence advice)</p> <p>Request proof of Union status from local EU Customs (we advise you seek advice on whether you will need to do this, and suitable proof of Union status evidence, which uses existing VAT evidence to qualify, as how strict each EU Customs will be and what evidence they may require is not yet clear)</p> <p>Check with the country you keep your boat in whether UK registration is acceptable (it is likely to be for private users), re-register if required</p> <p>As a UK citizen you should be eligible to visit EU countries in the Schengen area for a maximum of 90 days in a 180 day rolling period. Extended visas may be available in certain countries, and non-Schengen countries may allow a similar period, but this should all be checked before travel, see GOV.uk for more detailed info</p> <p>Check for proof of competency requirements, insurance, medical cover, and other personal conditions for each country that you intend on visiting</p>	<p>Obtain evidence of location (see our BREXIT evidence advice)</p> <p>If visiting the UK for a short time check with UK Customs whether your trip will qualify, and notify UK Customs of arrival and departure, retaining EU VAT paid status whilst not paying UK VAT on importation, see GOV.uk for more detailed info</p> <p>If predominantly cruising the UK, or returning to the UK full time, inform Customs and import under Returned Goods Relief if applicable (see GOV.uk for info) essentially this currently says it must have been exported from the UK in your ownership, not have been sold whilst outside the UK, not had a major refit, and originally had VAT paid in the UK to qualify (there is usually a three year maximum period outside of the UK for RGR, however for 2021 only this is being waived, as long as all other RGR conditions are met)</p> <p>If not eligible for Returned Goods Relief UK VAT is due, we suggest you lobby your local MP, RYA, and the Cruising Association if you are members, as we believe this is still under discussion</p>

BUYING AND SELLING BOATS IN THE UK AND EU AFTER BREXIT

Boat in UK at 11pm on 31/12/2020 VAT STATUS: UK VAT PAID*		Boat in EU at 11pm on 31/12/2020 VAT STATUS: EU VAT PAID*	
BOAT SOLD IN UK, FOR USE IN UK	BOAT SOLD IN UK, FOR EXPORT TO EU	BOAT SOLD IN EU, FOR USE IN EU	BOAT SOLD IN EU, FOR EXPORT TO UK
UK VAT paid status retained If previously eligible for EU Returned Goods Relief this status will be lost, meaning that EU VAT will be due if imported into the EU in the future Make sure evidence of location at 11pm on 31/12/2020 is included in the sale documents	UK VAT paid status lost upon export to EU, EU VAT will be due** If imported back to the UK in the future, UK VAT will be due again **Unless being used by an eligible UK citizen under Temporary Admission terms, see our Boat Owners information, and check GOV.UK or the RYA for further info	EU VAT paid status retained If previously eligible for UK Returned Goods Relief this status will be lost, meaning that UK VAT will be due if imported into the UK in the future Make sure evidence of location at 11pm on 31/12/2020, and proof of Union status (if required, seek advice if unsure) is included in the sale documents	EU VAT paid status lost upon import to UK, UK VAT will be due If exported back to the EU in the future, EU VAT will be due again

*Proof of VAT status can vary between boats depending on age, location, and ownership history, and the individual VAT requirements of the relevant country. More guidance on this can be found on the RYA website, and gained by contacting HMRC, or the relevant Customs department in the EU country you require information for.

*Are you considering whether to keep your boat in Europe, or bring it back to the UK?
 Unsure which market will be best if you decide to sell, and whether VAT will be due?
 Looking to buy a boat to base abroad, but not sure which is the best way to do this?
 Maybe you are considering selling whilst the UK used boat market is busy?*

No problem, we are here to help!

CLICK HERE to request our FREE personal market appraisal & advice service

Suffolk +44(0)1473 659681

suffolk@clarkeandcarter.co.uk

Essex +44(0)1621 785600

essex@clarkeandcarter.co.uk

Found this guide useful? [CLICK HERE](#) to sign up for future guides and news

This guide may be shared in full (to protect the context of the information provided) by any private individual. However, it is not to be used either Whole or in part by any business, organisation, or media outlet, without express written permission in advance.
 All rights reserved, Clarke & Carter Interyacht Ltd. V1-14/01/2021.