



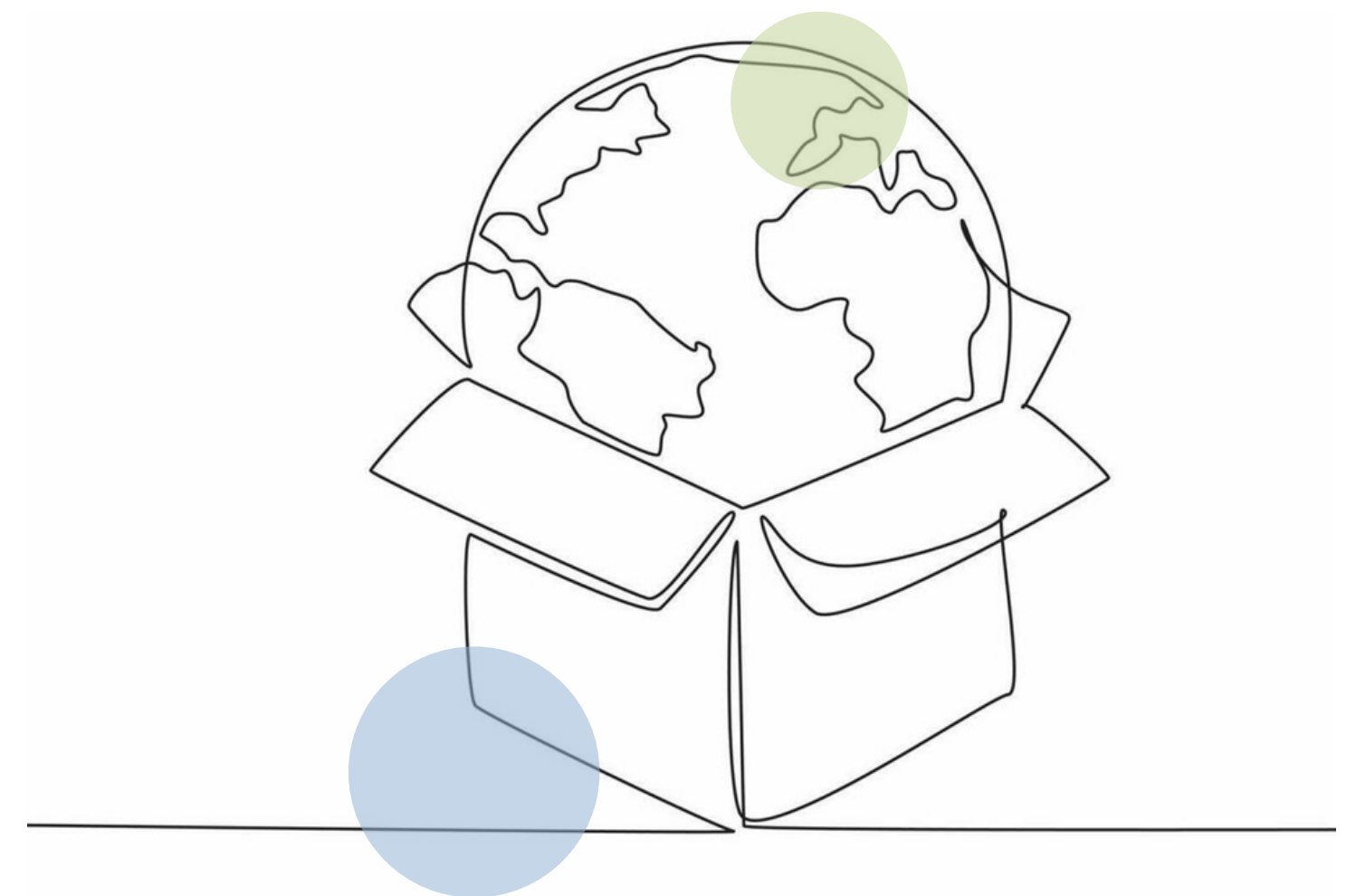
LOW VALUE IMPORTS (LVI) RULES ARE CHANGING

What are EORI doing about it?

Note : we've been here before.....and excelled!

EORI's LVI services include :-

- Tariff classification (to 10 digits, GB and NI)
- Duty assessment including ways to access duty reliefs
- Landed cost calculation (live tariff access)
- Rules of origin assessment and advice
- Standard or controlled goods identification and processing
- B2C or B2B2C? (the optimal route for your products)
- Returned goods relief
- A network of ETSF locations
- Fiscal representation (indirect rep)
- Extensive customs expertise including use of EIDR
- A 'digital first' approach to customs data management



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HM Treasury



HM Revenue
& Customs



Reforming UK Low Value Imports

The 2028 Customs Blueprint

A strategic summary of HM Treasury & HMRC's consultation response on the removal of the £135 relief.

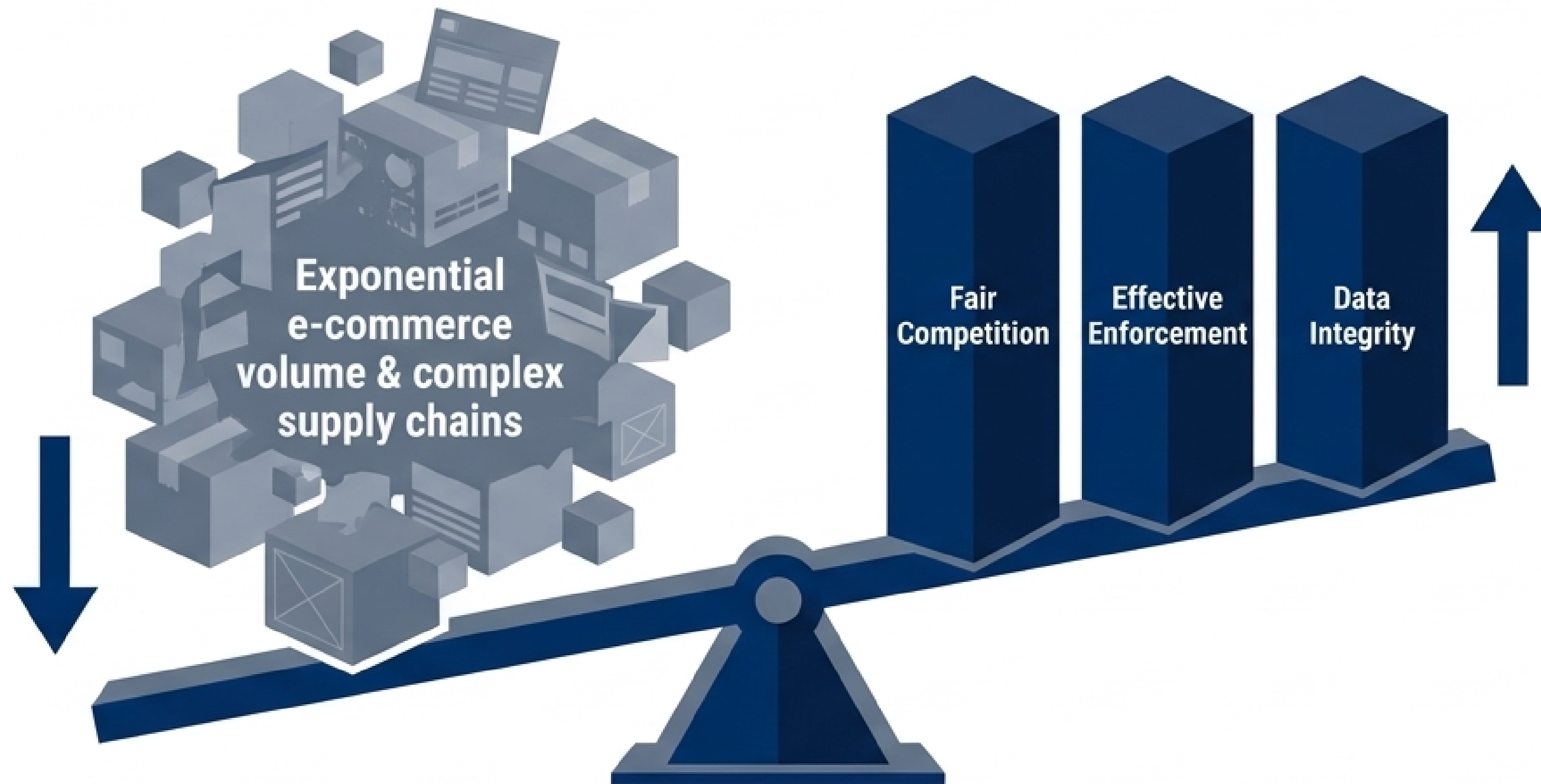
The Era of Duty-Free LVIs is Ending

Following the Autumn Budget 2025 announcement, the government is officially removing the £135 customs duty relief. The new framework prioritizes consistent tariff application, data integrity, and a level playing field between overseas sellers and high street retailers.



The Catalyst for Structural Change

The existing LVI framework was designed for a fundamentally different, lower-volume trading environment.



THE OBJECTIVE

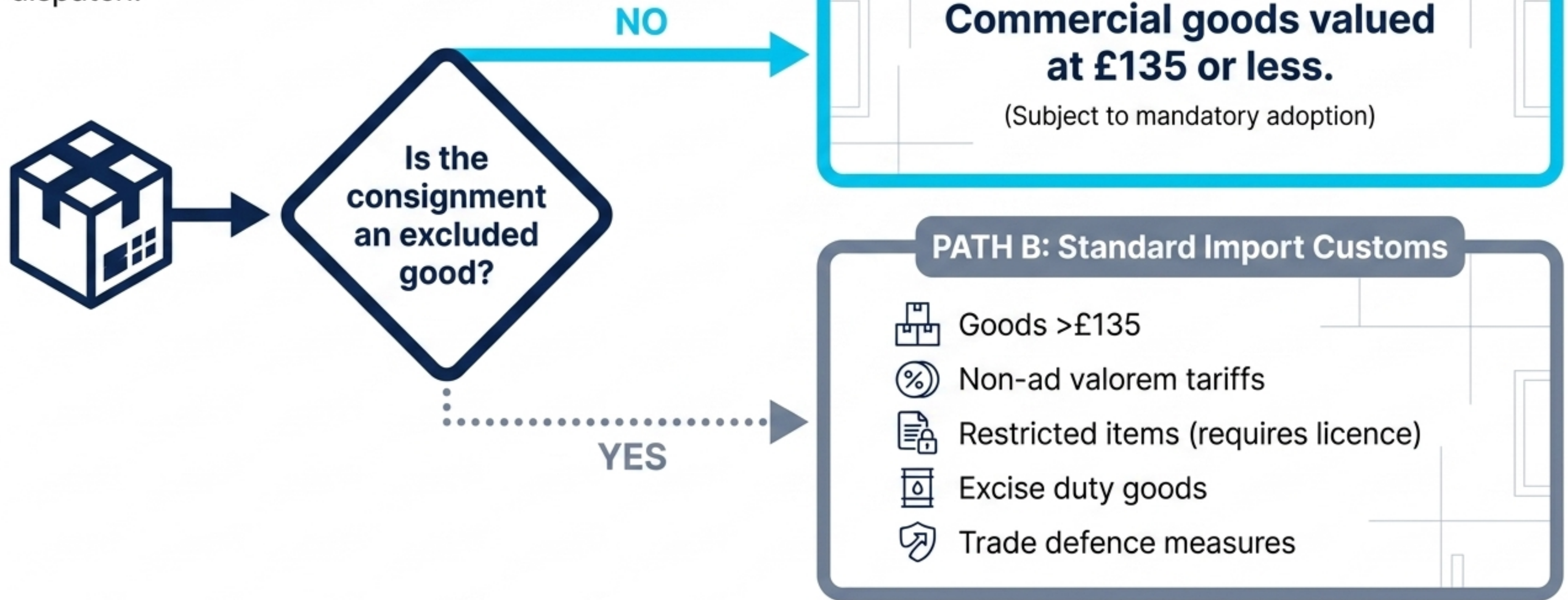
Move the customs treatment of LVIs closer to that of standard freight imports.

THE RATIONALE

Reforming the system protects domestic customs infrastructure, drives fair competition against high-volume overseas platforms, and combats undervaluation and VAT non-compliance.

The Customs Routing Matrix

Not all goods under £135 qualify for the streamlined arrangements. Ensure correct routing before dispatch.



The Non-Commercial Pathway: Retaining Gift Relief

THE DECISION

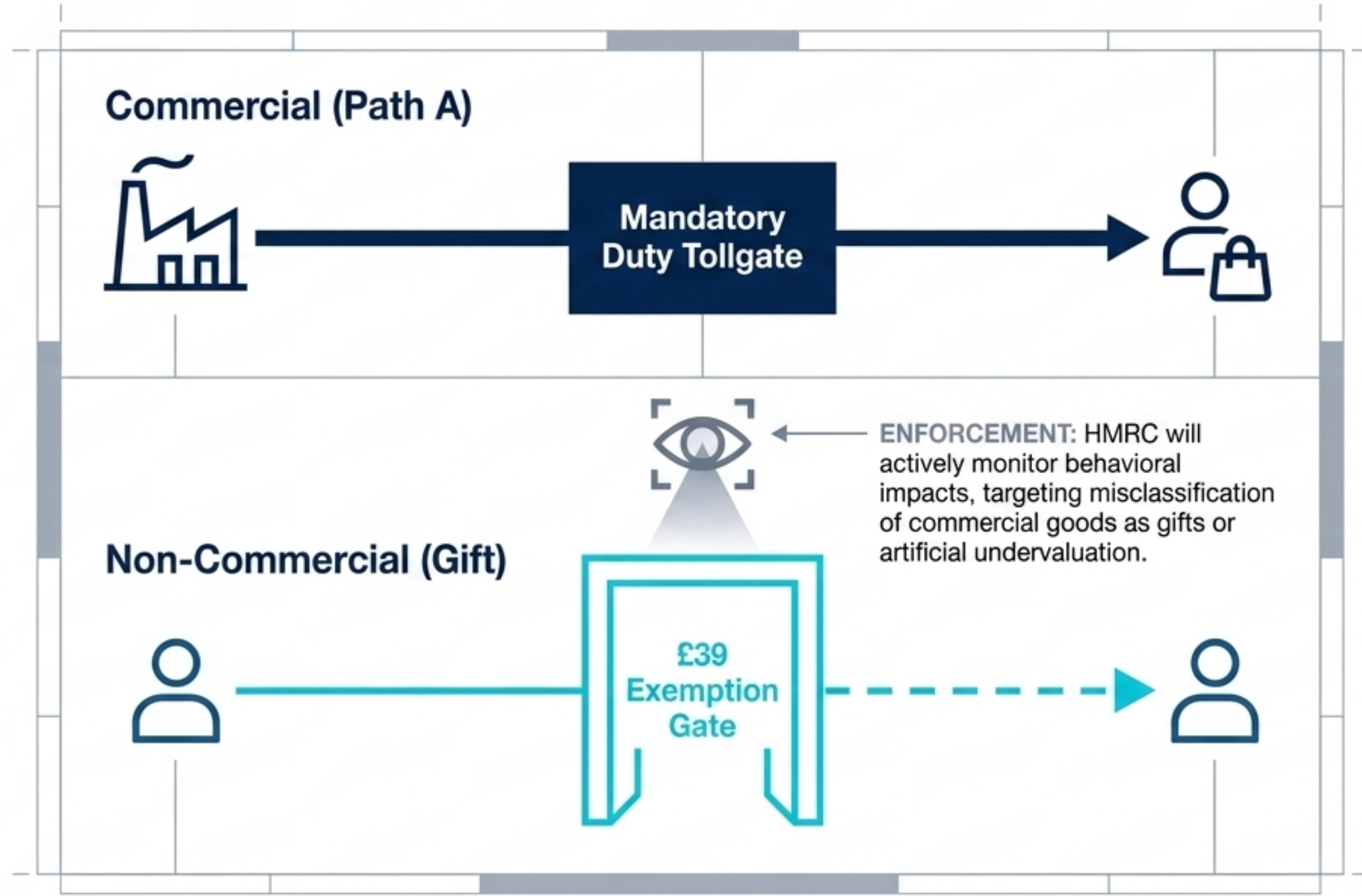
The government will retain the current relief for genuine non-commercial consignments with a value of £39 or less.

THE RATIONALE

Acknowledges the immense public feedback regarding the importance of personal, familial, cultural, and religious ties.

THE COMPLIANCE CAVEAT

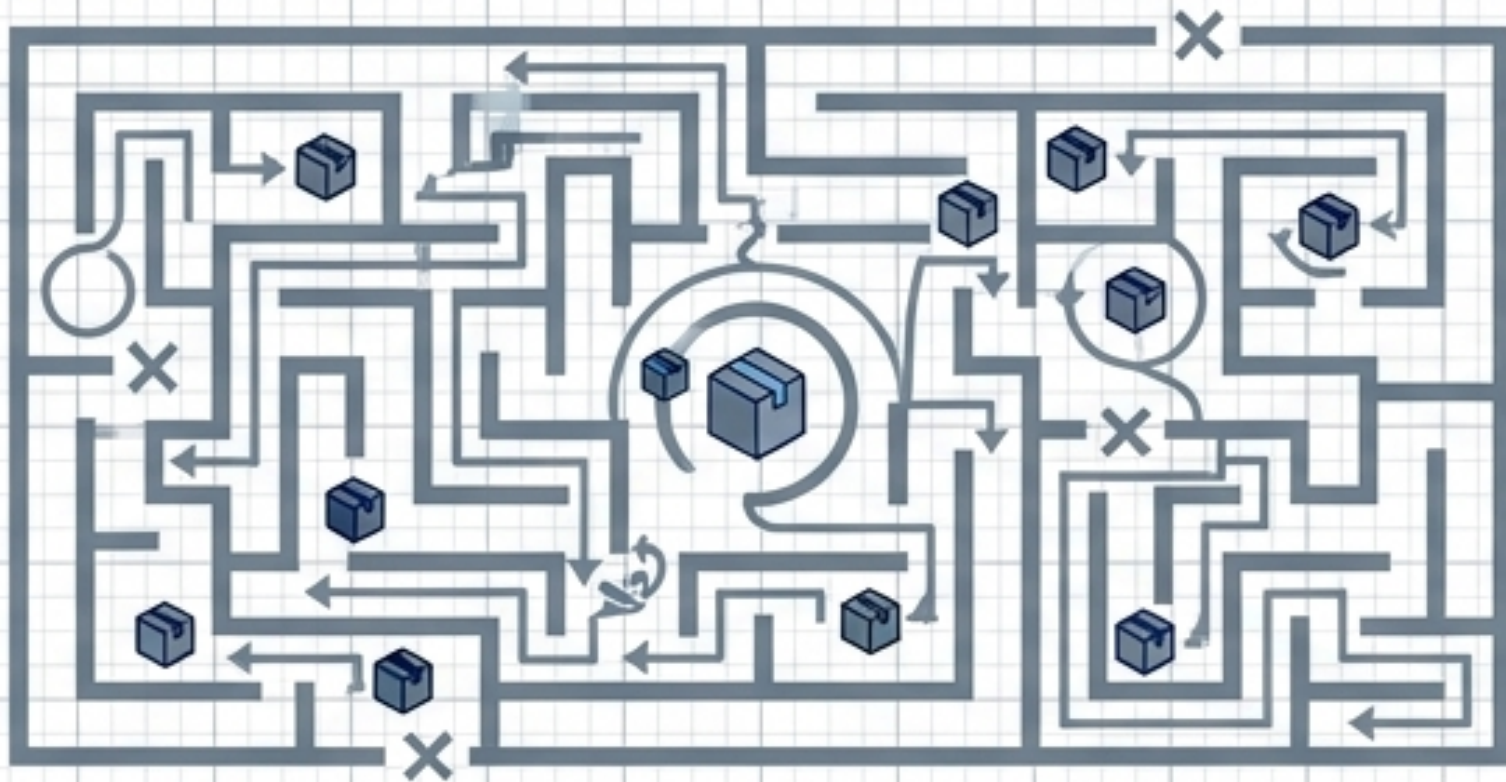
Applies strictly to C2C (Consumer-to-Consumer) movements.



The Mandate: Rejecting Voluntary Adoption

The government rejected industry proposals for voluntary or partial adoption models.
The new LVI customs arrangements are strictly mandatory for all eligible consignments $\leq \text{£}135$.

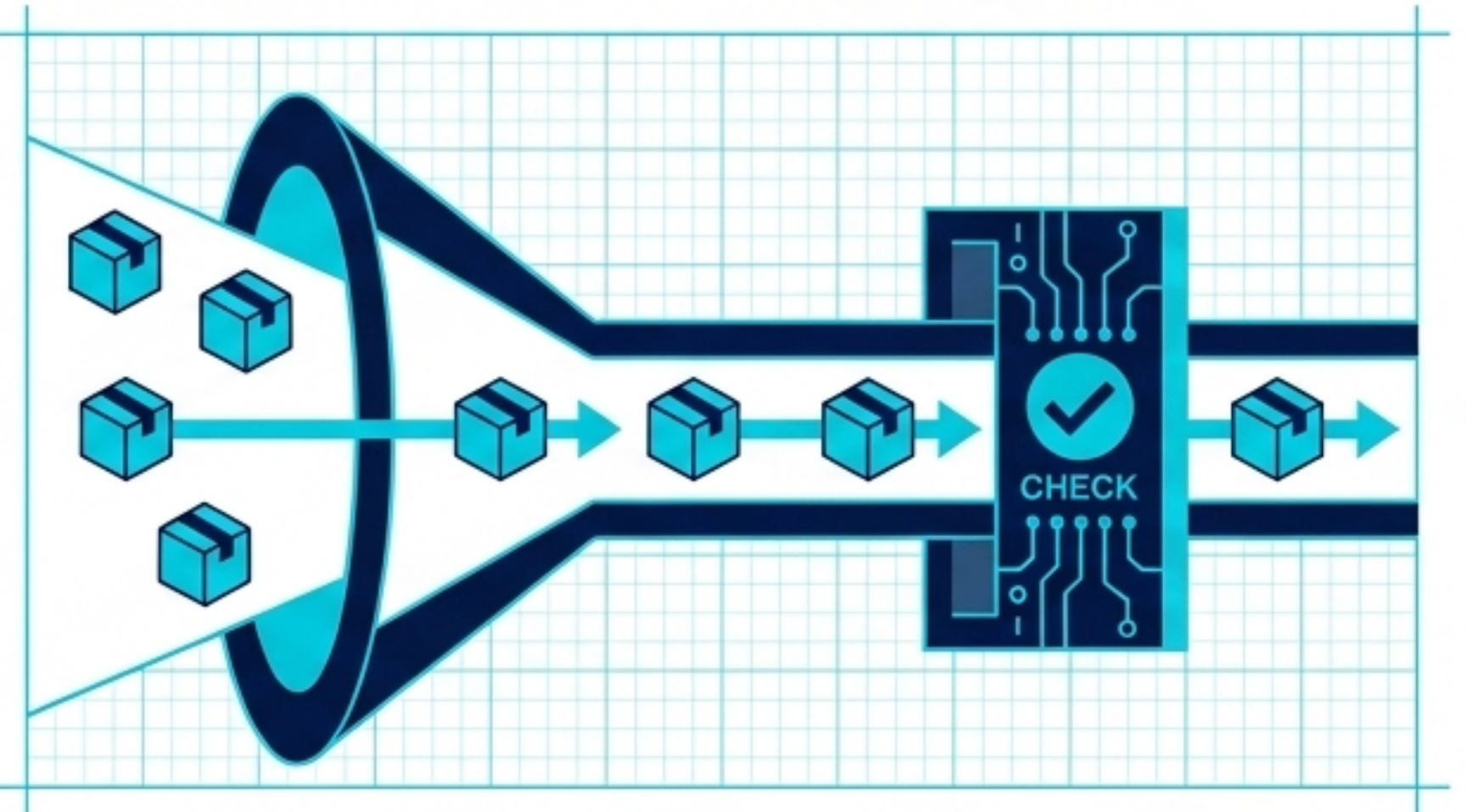
REJECTED: Voluntary Model



Fragmented & Unenforceable.

Fails to protect customs infrastructure or ensure a level playing field.

MANDATORY: New LVI Model



Consistent & Controlled.

Closes systemic loopholes and provides complete clarity for enforcement actions.

Financial Mechanics: Shifting Duty to Point of Sale

Sellers and online marketplaces are now responsible for the payment of customs duty on LVIs.

THE EXECUTION

Duty collected at Point of Sale (POS) and paid to HMRC quarterly.



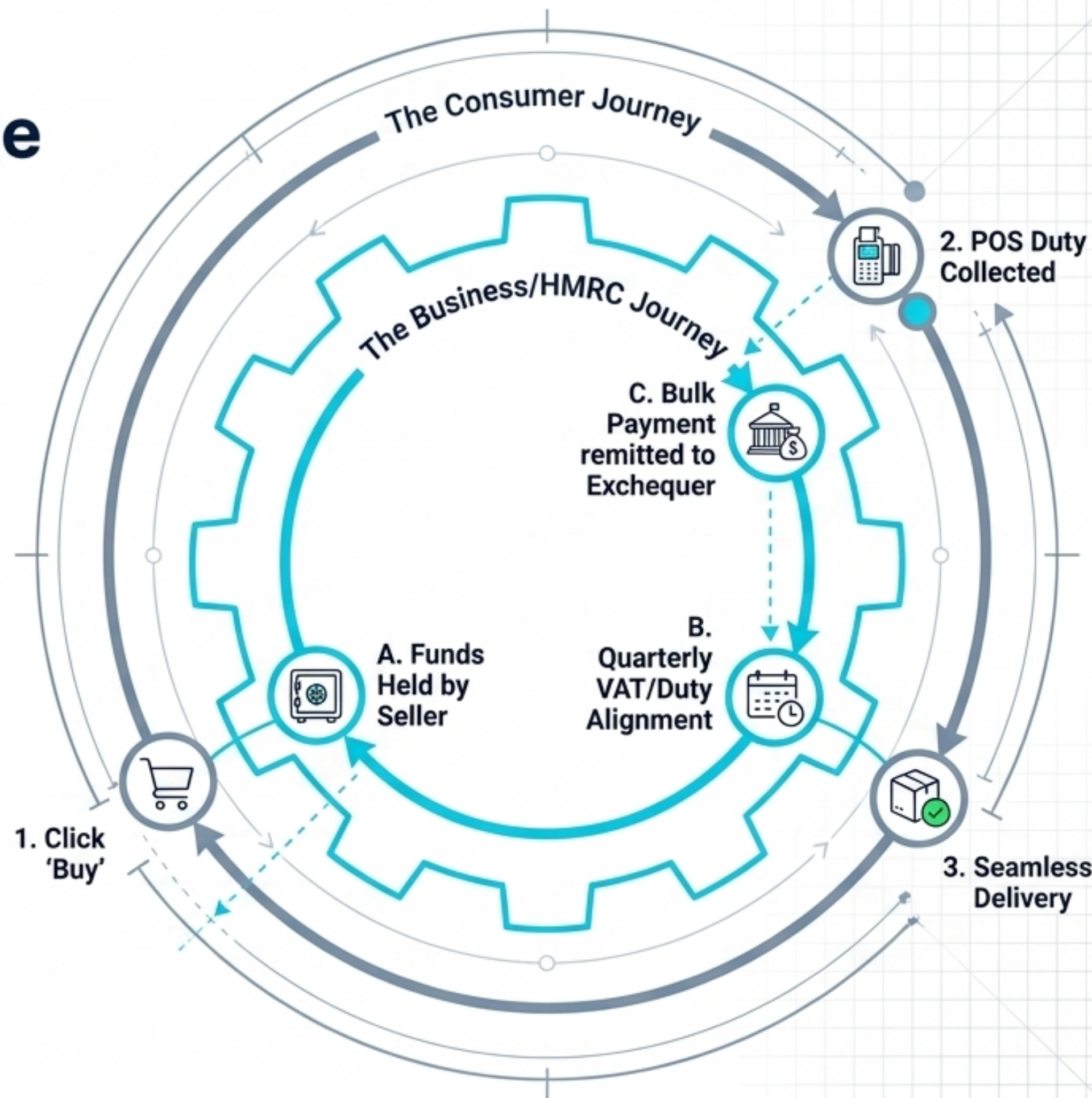
THE RATIONALE

Improves price transparency (no surprise fees on delivery) and ensures frictionless border movement.



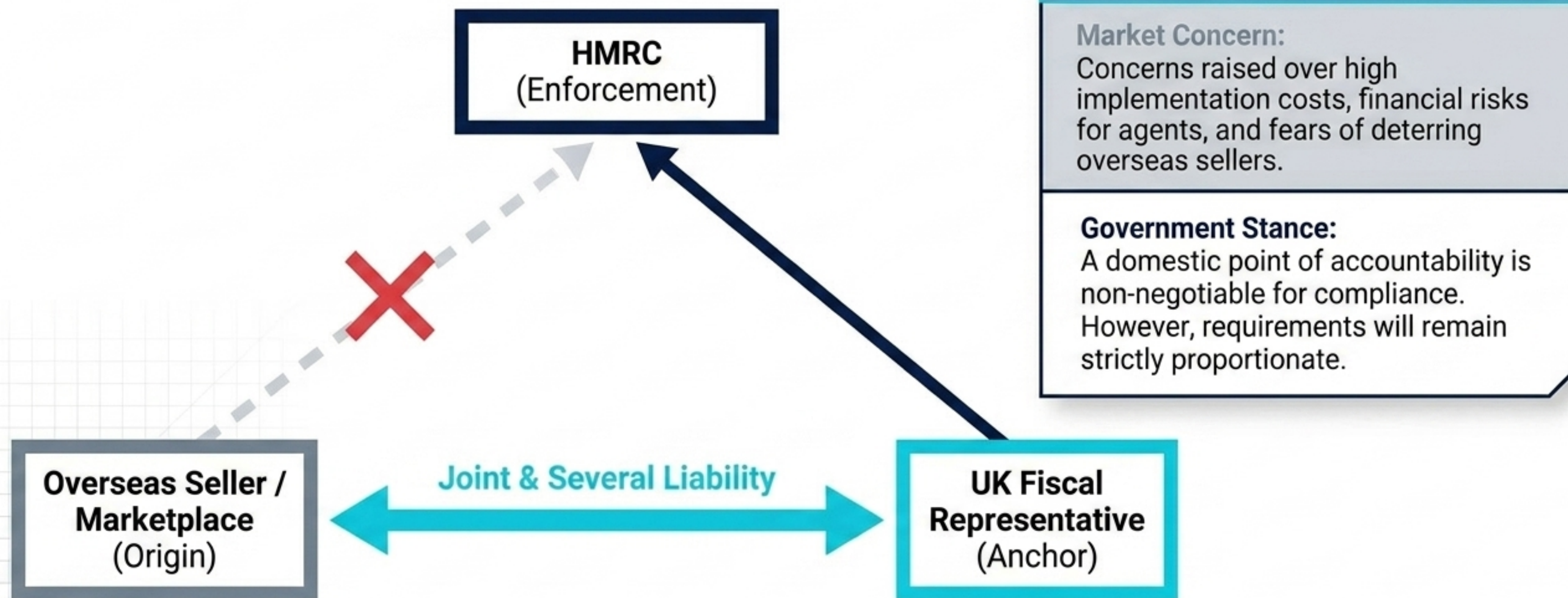
OPERATIONAL HARMONY

Cycle offers option to stagger payments to align with existing VAT return cycles.



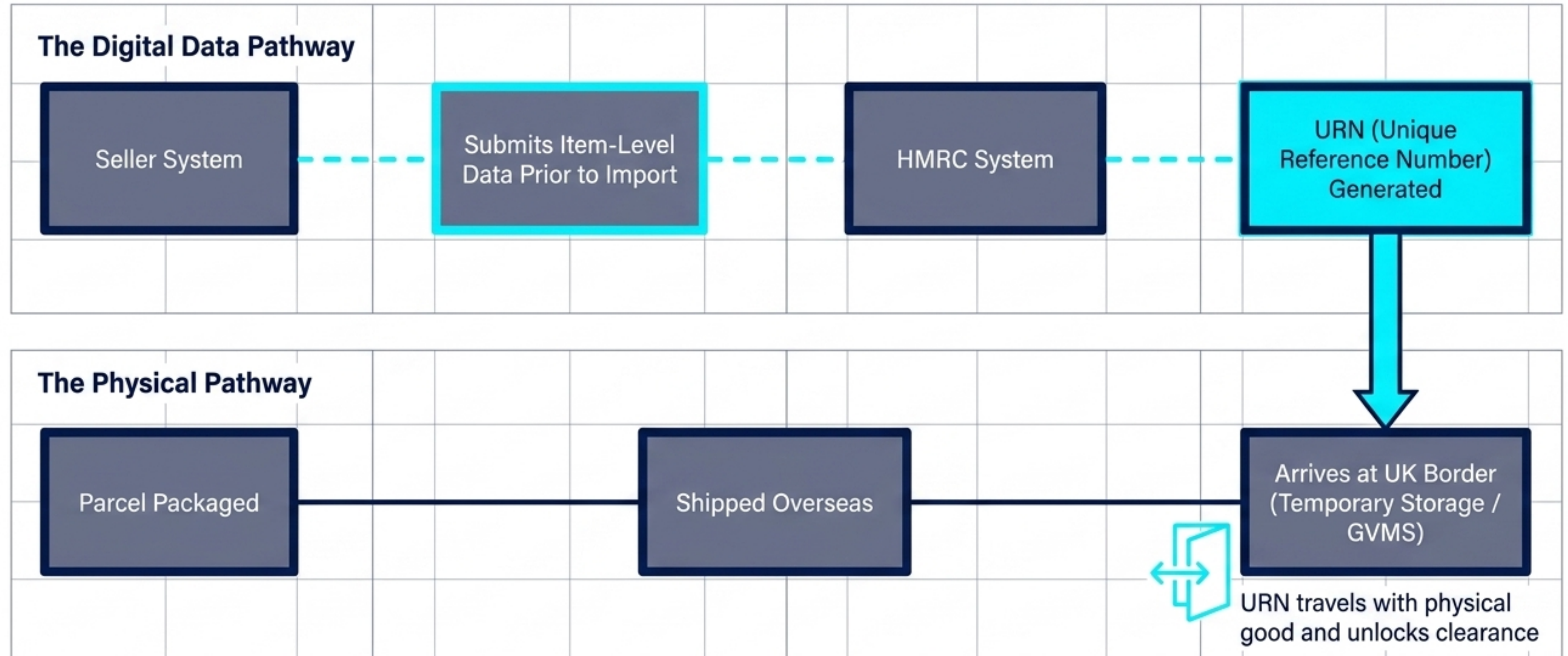
The Compliance Anchor: Fiscal Representation

Sellers and online marketplaces without a UK physical presence
MUST appoint a UK-based Fiscal Representative.



The Data Pipeline: Item-Level Visibility at Source

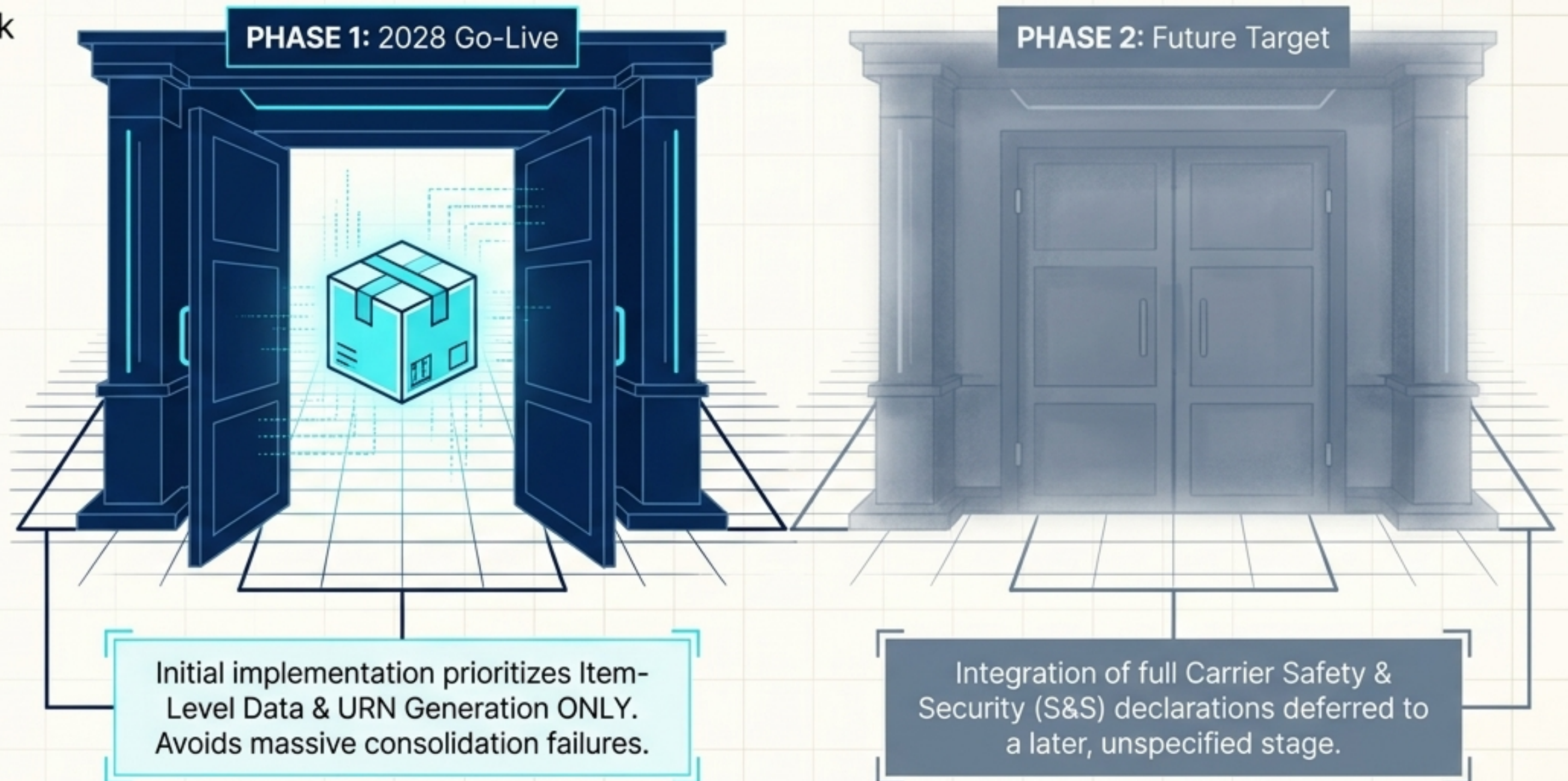
Complete data integrity enables effective risk assessments without physically stalling the supply chain.



Phased Implementation: Deferring Safety & Security

To ensure successful delivery at scale by 2028, industry feedback warned against overwhelming consolidation systems.

Two-Phase Implementation Gateway



Tariff Strategy: Committing to the UK Global Tariff

All goods ≤£135 will be subject to the full 10-digit UK Global Tariff (UKGT).
A proposed '**simplified bucket**' system was rejected.

Full UKGT (10-Digit) [SELECTED]

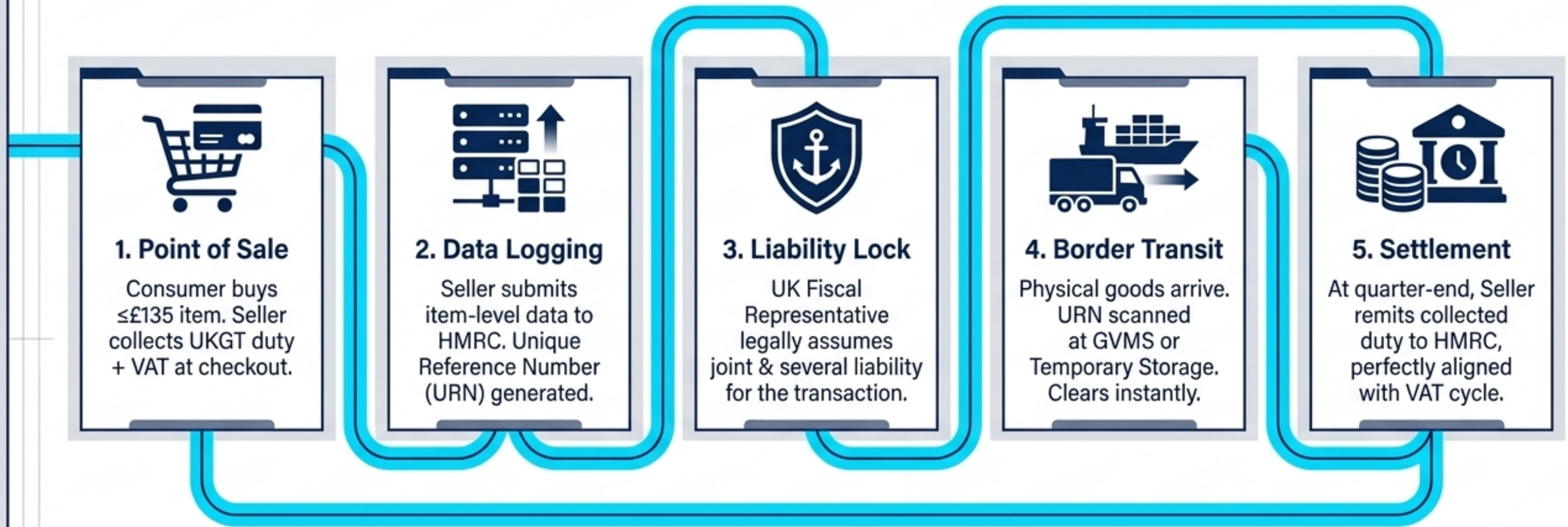
- ✓ Provides a single, universally understood ruleset.
- ✓ Integrates flawlessly with emerging AI compliance tools.
- ✓ Future-proofs businesses already investing in automation.

Simplified Tariff Buckets [REJECTED]

- ✗ Creates parallel rulesets and complexity.
- ✗ Fails to remove the baseline effort of product classification.
- ✗ Double-work for logistics and uncertain market uptake.

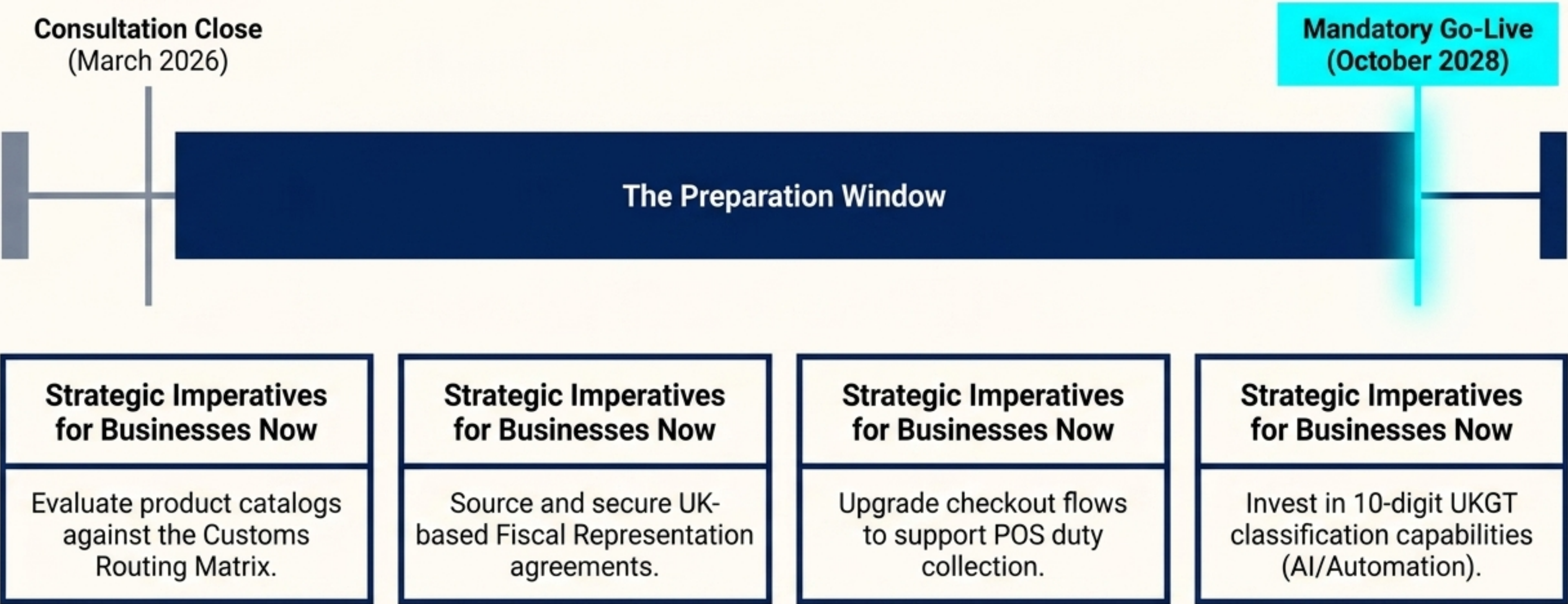
SYNTHESIS: The 2028 LVI Ecosystem

How the final architecture operates end-to-end, from digital checkout to border clearance.



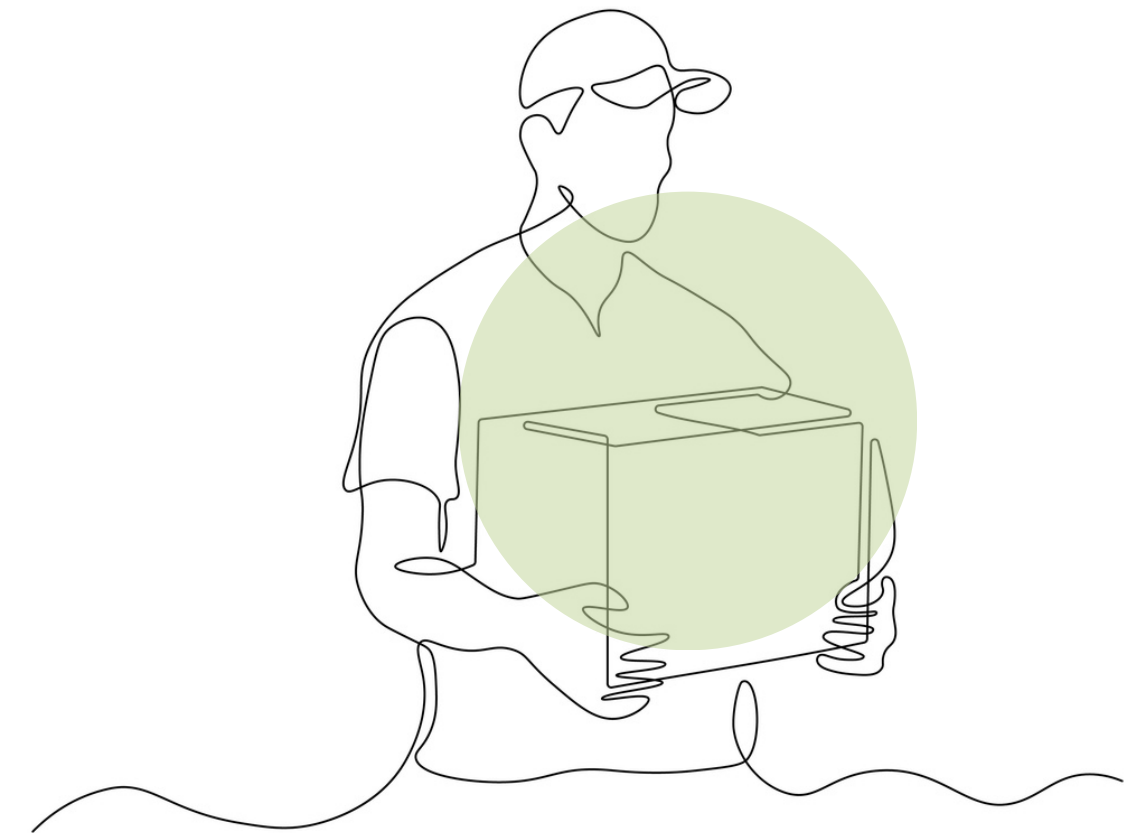
The Timeline to October 2028

The government has accelerated delivery by 6 months. **Preparation must begin immediately.**



START PLANNING

- The USA has already removed de minimis.
- EU has recently introduced a €3 flat fee per product in a parcel.
- Ecomm has exploded in recent years, and UK retailers are ‘demanding’ a level playing field.
- **UK changes to LVI are coming.**
- Time to ‘buddy up’ with customs experts as parcel processing changes.



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