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Independent Publishers Guild

Brexit and publishing

This guidance has been provided by experts with support from the Brexit Readiness Fund. If you would like to ask a question that is not answered here, please visit the [**IPG's website**](#).

Exports and imports

How will Brexit affect my sales in Europe and the US?

Delays are anticipated for export goods leaving the UK, especially at point of entry to the EU. Now is a good time to map out your supply chain and customer base across the EU nations. With the right planning, delays can be mitigated.

On the shipping front, there could be extra costs for publishers depending on the Incoterms with each customer. For example, if a UK publisher sells DDP to a European customer, they would then need to have an EU EORI number and entity to be the importer of record in the EU, including some VAT registration. If that is not the case, the consignee would need to be happy to accept DAP terms and deal with entry costs and administration.

Brexit potentially creates a lot of extra work and charges for consignees. This could encourage booksellers to buy from a source within the EU, rather than having to deal with the customs complication of sourcing from the UK.

The UK is seeking a free trade agreement with the US. Until that is reached, the UK will trade under World Trade Organisation rules.

How will Brexit affect imports of stock from Europe to sell in the UK?

A UK VAT registration will be required from first sale if the seller is non-established. If they are established in the UK then the normal VAT registration threshold of £85,000 will apply. In a no-deal Brexit environment, HMRC has indicated there will not be any import VAT payable at the point of import. Rather it will be accounted for like acquisition tax is now (ie a paper entry).

To avoid any bottlenecks for shipments from the EU at popular ports like Dover, you may consider asking for deliveries to be sent through other ports in the north of England. Should you need to track deliveries, your shipper should be able to provide delivery compliance reports.

What are the VAT and duty implications for selling print books via our distributor to vendors in Europe?

Check with your distributor, who should be able to explain the current position and keep you updated with any changes. There are likely to be customs clearance costs, and current advice is to pay no more than £30 per clearance.

What will be the best way to ship and return goods for display at events and conferences in the EU?

Once we leave the EU, it will be the same as shipping to a non-EU country—via an ATA Carnet or a Duplicate List. Check the government's advice for taking goods out of the UK temporarily. Cost will be a consideration, as an ATA Carnet currently costs £325.96.

[General government advice about imports](#)

[Current government advice for exports to the US](#)

[Country-by-country trading guide in the event of a no-deal Brexit](#)

[Proposed trading arrangements with non-EU countries](#)

[Government advice for taking goods out of the UK temporarily](#)

Shipping

What can I do to help minimise any shipping delays to European customers?

If you haven't already, contact your distributor to learn what plans they have in place to overcome delays at ports and points of entry into the EU. Ask them to send you regular updates. Check your distributor has all the necessary EU shipping and customs information for your products to continue supply to EU customers, like the country of printing origin for all your books.

It is vital to apply for an EORI number, or check if your company has been auto-enrolled and been sent it already. An EORI is like having an EU VAT number, and it only takes ten minutes to apply and secure one. Without it, your books won't be able to leave the UK.

There could be real issues around consolidated orders being held up by one order that doesn't have with the right information and paperwork for EU customs. It is worth checking with distributors if they will make sure that each order or element of every shipment complies with EU customs and shipping requirements.

To avoid this, consider no-consolidation instructions for large or urgent orders. Also consider exploring the viability of weekly consolidated shipments with your distributor, to mitigate customs costs for some customers. Current just-in-time ordering practices could increase the costs of customs clearance.

If you undertake deliveries yourself, consider opening up discussions with a reputable UK-based customs broker that understands EU flows, including the consolidations of books.

If you want to continue to sell on a DDP basis, ensure that you have EORI and EU VAT registration for where you are delivering to. Otherwise, look to effect an Incoterm change to DAP. This is critical or you will get customs delays.

Ensure that the Port compliance envelope at Calais has been complied with so that your import / export entry is linked to the truck. If your goods are moving under CTC Transit documentation, ensure that at destination the transit document is discharged. If in doubt, speak to your customs broker. Map out the flows to ensure everyone in the chain understands what their role will be.

What should I do about HMRC TSP numbers?

Some publishers have received a letter from HMRC to notify them of their unique Transitional Simplified Procedures (TSP) number. This to ease imports over the next 12 months if we leave the EU without a deal. This will make customs easier for an initial period of one year, and allow businesses time to prepare for future import processes.

Once businesses are registered for TSP, they will be able to transport goods from the EU into the UK without having to make a full customs declaration at the border, and will be able to postpone paying any import duties. The new procedures reduce the amount of information importers need to give in an import declaration when the goods are crossing the border, by deferring full declarations until after the goods have crossed the border. If tariffs apply to imports businesses with TSP registration can defer paying any import duties by setting up a direct debit, a non-EU country—via an ATA Carnet or a Duplicate List. Check the government's advice for taking goods out of the UK temporarily. Cost will be a consideration, as an ATA Carnet currently costs £325.96.

[Registration for TSP](#)

[Registration for EORI numbers](#)

[Step-by-step export planner](#)

Rights

Do tax rules change for the sale of rights, including digital, to a US company?

Tax, for the purposes of the first part of this answer, is VAT. Brexit does not change our relationship on a fundamental basis with the US, and so the short answer is no.

As far as we know, there are no plans to revise the taxation of these sorts of arrangements more broadly. However, the UK-US withholding tax position needs to be monitored.

On direct tax issues, prima facie Brexit should not have an immediate UK tax impact on the sale of rights by UK persons or companies to US companies. This is on the basis that the tax treatment applied to such arrangements should not be dependent or influenced by whether the UK is or is not a member of the EU, given a US company would be the other party to the sale.

The underlying principles of tax law should remain unchanged by Brexit in terms of how such sale of rights would be treated for UK purposes. But it should be borne in mind that, subsequent to Brexit, other events could impact the position (like in the event of a change of government) and that such arrangements should be reviewed on a case-by-case basis.

What should be done about registered trademarks?

When we leave the EU, trademarked products will remain trademarked there. However, since registration takes four to six months, it is advisable to register trademarks in the UK ahead of leaving the EU.

What will happen to copyright?

As the UK is signed up to the Berne Convention, copyright will be protected in the same way after Brexit. The term of copyright will stay the same. In the longer term, the UK will be free to choose whether or not it continues to harmonise copyright with the EU.

Should I change my contracts?

It is worth Brexit-proofing any relevant contracts. Ensure in particular that territories are altered to include the UK separately, alongside the EU, and check the jurisdictions that are listed.

Some partners and suppliers are using Brexit as an excuse to renegotiate contracts. Check carefully before accepting any changes. You are within your rights to hold suppliers to existing contracts if issues arise. It is unlikely that the activation of force majeure clauses will be justified, as lengthy Brexit negotiations means issues around Brexit are unlikely to be considered unforeseen.

[Government advice on IP](#)

People and travel

Should we expect longer travel times when travelling on business to Europe?

Staff should be aware that travel times may be affected, and that they may need to spend more time planning business trips to Europe. It may take much longer to clear passport control in some countries.

Staff may need to consider carrying a travel pack with proof of UK address, proof of funds for the trip, proof of customer visits and return flight details, for instance, much like visa applications.

Remind staff that they will need to check passports regularly if travelling to the EU on business after Brexit, and make sure that on the day of travel their passport has at least six months left to run and is less than 10 years old (even if it has six months or more left).

Ensure that the right travel insurance is in place to cover healthcare, as EHIC cards may not be valid after Brexit. If you're driving in the EU, do check that you have the right driving documents too, including an International Driving Permit.

What do I need to do about the EU Settlement Scheme?

Some employees may not be able to continue living or working in the UK as they do now, if they do not apply to the scheme. Read the government's guidance carefully

[Passport checker tool](#)

[Travel insurance guidance](#)

[International Driving Permit guidance](#)

[Guide to visiting the EU in a no-deal scenario](#)

[Guide to the EU Settlement Scheme \(settled and pre-settled status\) and timelines](#)

Data

What do I need to do about EU data flow?

If you have an EU-based employee or office, they will need to amend contractual clauses to account for the flow of data from an EU office to comply with the UK being outside the EU. It is worth highlighting that it is their responsibility to continue to comply with EU regulations after Brexit.

[ICO guidance on data protection compliance for small businesses in a no-deal Brexit](#)

VAT

What will happen to VAT?

It is unlikely that VAT arrangements for books and ebooks will change after Brexit, but if you sell any other items beyond these it would be worth checking their status.

What will happen to Reverse Charge on digital products like ebooks?

Ebooks count as digitised products for VAT purposes, and are treated as services. B2B rules for services are not changing, but the rules for B2C supplies may create a change because in a no-deal scenario the UK will move from being an EU country to a non-EU country.

This will mean the UK no longer operates a single VAT registration for clearing local VAT charges on ebooks to other EU countries. This is known as the Mini One Stop Shop or MOSS. Therefore, if traders wish to continue to operate this scheme for EU sales they will be required to register for VAT in another EU country under the non-EU MOSS scheme.

As the UK will be outside the EU, there will also be a change to the application of the use and enjoyment rules for digital services. Right now, some countries (including the UK) have implemented use and enjoyment rules to change the place of supply to their own country, where otherwise the supply would be regarded as in the EU or outside the EU. As the UK will be outside of the EU, it is possible that the use and enjoyment rules for services may need to be reviewed again by businesses.

What are the VAT and duty implications for selling ebooks directly to consumers in Europe?

Ask your ebook distributor / provider what continuity plans they have made. They should also be able to keep you updated on how your revenue per title is likely to be affected. You may wish to consult with VAT specialists to review what else needs to be done, as each contractual supply chain is different.

On duty, ebooks will not be subject to customs process as they are transmitted electronically.

Will there be any changes to Distance Selling Threshold limits?

In a no-deal environment, distance selling rules applicable for VAT for B2C sales will no longer be applicable for UK sellers. If they are non-established sellers then they may need to register for VAT where sales are made. Depending on values, it may be worth maintaining an EU stock which can be topped up.

There is currently no customs duty on printed matter, and this will remain the case post-Brexit.

It's recommended to check the duty rates for books to see whether duty will be chargeable on imports to the EU. Potential solutions will be dependent on the nature of sales, location of customers and values involved.

How will project-based consultancy services to the EU be affected?

It does rather depend on specific circumstances, but in general B2B consulting services, unless covered by one of a small number of exceptions, are subject to the reverse charge in the country of the customer. This is not anticipated to change.

What will happen to place of supply rules for UK businesses supplying services into the EU?

If the UK leaves the EU without an agreement, the main VAT place of supply rules will remain the same for UK businesses. The current 'place of supply' rules determine the country in which you need to charge and account for VAT. These rules are in line with international standards set out by the Organisation for Economic Co-operation and Development (OECD).

For UK businesses supplying digital services to non-business customers in the EU, the place of supply will continue to be where the customer resides. VAT on services will be due in the EU member state within which customers are resident.

[The latest government advice and a checklist for companies providing services to the EU](#)

[The latest government advice and a checklist for companies providing digital services to the EU](#)



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