

Customs

Buying Goods Online for
Personal Use Worksheet

Solutions



In each of the following activities, assume that you are an individual consumer in Ireland who is purchasing the product.

Product 1



Origin of product	China
Online or retailer location	United Kingdom
Delivery location	Ireland
Cost	€199.99

<p>Does VAT apply? Explain the reason for your answer.</p>	<p>Yes – VAT applies to all goods entering the EU regardless of their value. As these trainers are entering Ireland (EU) from the UK (outside the EU), VAT is due.</p>
<p>Does Customs Duty apply? Explain the reason for your answer.</p>	<p>Yes – The intrinsic value of the trainers is greater than €150. The goods are entering Ireland (EU) from the UK (outside the EU), the trainers are subject to Customs Duty.</p>

Product 2



Origin of product	USA
Online or retailer location	Germany
Delivery location	Ireland
Cost	€295

<p>Does VAT apply? Explain the reason for your answer.</p>	<p>Yes – VAT applies to all goods entering the EU regardless of their value. The German firm applies the Irish VAT rate to the handbag when delivering to an address in Ireland. If an Irish firm was selling to a private individual in Germany, it would apply the German VAT rate.</p>
<p>Does Customs Duty apply? Explain the reason for your answer.</p>	<p>No – The handbag is sold by a German firm (EU) to a private individual in Ireland (EU). The German business may have paid Customs Duty when it imported the handbag into the EU from the USA (outside the EU).</p>

Product 3



Origin of product	Italy
Online or retailer location	United Kingdom
Delivery location	Ireland
Cost	€445

<p>Does VAT apply? Explain the reason for your answer.</p>	<p>Yes – VAT applies to all goods entering the EU regardless of their value. As the food mixer is entering Ireland from the UK (outside the EU), VAT is due.</p>
<p>Does Customs Duty apply? Explain the reason for your answer.</p>	<p>Yes – The intrinsic value of the goods is greater than €150, and the goods are entering Ireland (EU) from the UK (outside the EU). Therefore, the food mixer is subject to Customs Duty.</p> <ul style="list-style-type: none"> • Even though the product was manufactured in the EU, Customs Duty still applies. • The EU UK trade co-operation agreement only allows tariff free trade for goods entering the EU that are made in the UK or vice versa.

Product 4



Origin of product	Japan
Online or retailer location	China
Delivery location	Ireland
Cost	€949

<p>Does VAT apply? Explain the reason for your answer.</p>	<p>Yes – VAT applies to all goods entering the EU regardless of their value. As the camera is entering Ireland (EU) from China (outside the EU), VAT is due.</p>
<p>Does Customs Duty apply? Explain the reason for your answer.</p>	<p>Yes – The intrinsic value of the camera is greater than €150, and the goods are entering Ireland (EU) from China (outside the EU), the camera is subject to Customs Duty.</p>

Product 5



Origin of product	France
Online or retailer location	Italy
Delivery location	Ireland
Cost	€192

<p>Does VAT apply? Explain the reason for your answer.</p>	<p>Yes – VAT applies to all goods entering the EU regardless of their value. The Italian firm applies the Irish VAT rate to cosmetics when delivering to an address in Ireland.</p>
<p>Does Customs Duty apply? Explain the reason for your answer.</p>	<p>No – The cosmetics are sold by an Italian firm (EU) to a private individual in Ireland (EU). Therefore, no Custom Duty is applied.</p>

Product 6



Origin of product	China
Online or retailer location	United Kingdom
Delivery location	Ireland
Cost	€30

<p>Does VAT apply? Explain the reason for your answer.</p>	<p>Yes – VAT applies to all goods entering the EU regardless of their value. As the watch is entering Ireland (EU) from China (outside the EU), VAT is due.</p>
<p>Does Customs Duty apply? Explain the reason for your answer.</p>	<p>No – The intrinsic value of the watch is less than €150, and therefore is not subject to Customs Duty.</p>