

VAT and Customs Treatment of the Movement of Second-Hand Motor Vehicles from Great Britain and Northern Ireland

This document should be read in conjunction with Part 4, Part 7, and Part 10 of the Value-Added Tax Consolidation Act 2010, Section 131 of the Finance Act 1992 and Regulation (EU) No. 952/2013 of the European Parliament and of the Council

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1 Introduction

Motor vehicles (including second-hand or used motor vehicles¹) imported into the State from outside the European Union (EU) are generally subject to customs formalities, including the payment of customs duties and VAT.

This guidance document outlines the Irish VAT and Customs treatment applicable to situations specifically where second-hand or used motor vehicles are moved into the State from Great Britain or Northern Ireland. The guidance is directed at both the motor trade and private purchasers.

This guidance should be read in conjunction with the VAT guidance on the [VAT and VRT on Transactions Involving Motor Vehicles](#).

2 Legislative Background

Since 1 January 2021, following the United Kingdom's (UK) withdrawal from the EU, Great Britain (GB) is considered a third country for Customs and VAT purposes. The importation of motor vehicles from GB are treated as an import from a non-EU country in accordance with the EU-UK Trade and Cooperation Agreement.

Under the Windsor Framework, Northern Ireland (NI) continues to apply and adhere to EU rules in relation to trade in goods. The result is that there are no Customs formalities, including Customs declarations or payment of tariffs, on trade between Ireland and NI. NI remains subject to the same Value-Added Tax (VAT) rules on goods as EU Member States. This means that the cross-border supplies of motor vehicles between NI and the State are subject to the normal intra-community supply rules or the VAT Margin Scheme rules.²

¹ For the purposes of this TDM, a second-hand or used motor vehicle is a motor vehicle that does not meet the definition of a 'new means of transport'. The term 'new means of transport' in relation to motor vehicles refers to motor vehicles:

- with an engine cylinder capacity of over 48 cubic centimetres, or a power exceeding 7.2 kilowatts,
- which are 6 months old or less, or have travelled 6,000 kilometres or less.

Reference to 'motor vehicle(s)' in this TDM are to second-hand motor vehicles.

Separate guidance is available on the Acquisitions of new means of transport from another Member State.

² This depends on whether the vehicle is 'margin scheme good' for the purposes of the VAT Margin Scheme.

3 VAT Margin Scheme

The VAT Margin Scheme is an optional scheme which allows business that supply certain second-hand goods – including motor vehicles, works of art, antiques and collectors' items – the option to pay VAT on the difference between the sale price and the purchase price of the goods (i.e. VAT is accounted for on the 'margin' only).³ If such a dealer chooses not to operate the Margin scheme, then the normal VAT rules apply.

An Irish VAT-registered motor dealer can operate the margin scheme on second-hand motor vehicles purchased in the EU and NI from a:

- private individual;
- business not registered for VAT;
- business not entitled to reclaim input VAT on the purchase of the motor vehicle; or
- VAT-registered motor dealer who sold the motor vehicle under the margin scheme.

Effectively, therefore, this means that the margin scheme can be applied to the sale, by a dealer, of motor vehicles which were either acquired from persons who could not have issued a VAT invoice for the motor vehicle, or purchased from another motor dealer under the Margin Scheme.

As eligible vehicles must be purchased in the EU, the Margin Scheme operates on supplies of second-hand vehicles between any EU Member State (including NI), but not trade with GB. The Margin Scheme does not apply to vehicles that originate from GB and are imported into the State via NI.

Further details on the margin scheme can be found in the VAT Tax and Duty Manual on the [Supplies of second-hand goods](#).

4 Second-Hand Motor Vehicle Payment Scheme (the UK 'SHMVPS')

The SHMVPS is a UK scheme that allows a motor dealer registered for VAT in an EU Member State (including NI) to claim a UK VAT-related payment if they purchase an eligible second-hand motor vehicle in GB and export it for resale in NI or the EU. The payment amount is calculated as the UK VAT element included in the selling price, currently equating to 1/6th of the selling price. The SHMVPS came into operation on 1 May 2023.

³ These businesses are referred to as 'dealers' in this guidance.

An eligible vehicle under the SHMVPS must be purchased in GB for resale from:

- a private individual;
- a business not registered for VAT;
- a business not entitled to reclaim input VAT on the purchase of the vehicle;
- a VAT-registered dealer who sold it under the margin scheme; or
- Motability (a scheme for people with disabilities to lease vehicles), with an invoice showing VAT charged at the zero rate.

Dealers not registered or established in the UK can submit claims to HMRC electronically or by post.

Claimants must provide proof that they are involved in the purchase and sale of second-hand motor vehicles, intend to sell the motor vehicles, and that the vehicles have been removed from GB.

VAT must be accounted for on the full selling price when the vehicle is resold.

Detailed guidance on the SHMVPS, including details on how to make a claim to the UK authorities, is available from [His Majesty's Revenue and Customs \(HMRC\)](#).

5 Registering a vehicle brought into the State

Revenue is required to maintain a register of all vehicles in the State. Generally, motor vehicles imported into the State are required to be registered with Revenue within 30 days of their date of entry into the State. Specific arrangements apply in the case of vehicles held by authorised motor traders⁴, and foreign registered vehicles brought temporarily into the State.

The National Car Testing Service ('NCTS') registers vehicles on behalf of Revenue. Vehicle Registration Tax ('VRT') is payable in most cases when a vehicle is registered in the State.

To register a second-hand motor vehicle brought into the State from abroad, including GB and NI, the purchaser is required to present the foreign registration certificate relating to the motor vehicle at registration. [Appendix II](#) details other mandatory documentation which is required when a second-hand motor vehicle brought into the State from GB or NI is presented for registration.

For further information on registering a second-hand motor vehicle from abroad, please see the Revenue guidance manual on [Vehicle Registration Tax \(VRT\)](#).

⁴ An authorised motor trader is a motor dealer who is authorised under Finance Act 1992 to deal or trade in unregistered vehicles. An 'unregistered vehicle' is a vehicle that has never been registered or recorded on a permanent basis in any jurisdiction, or a vehicle that has already been registered in a jurisdiction outside of the State.

6 Customs Import formalities and possible reliefs

6.1 Customs declaration

When a vehicle is imported from the UK, a customs declaration is required. This is usually completed by a customs agent on behalf of the importer. However, an individual can also complete the declaration using the declaration portal in Revenue's import system, AIS.

To complete a customs import declaration an individual needs to:

- be registered for Revenue Online Service (ROS)
- be registered for Customs & Excise
- have an [Economic Operators Registration and Identification](#) (EORI) number.

A registration request can be submitted through [MyEnquiries](#). The registration request should include the applicant's PPS number and brief note on the reason for the request. Alternatively, the request can be sent by e-mail to eCustoms@revenue.ie.

On receipt of the request, eCustoms will register the applicant for C&E and complete an EORI registration which will enable the import of the motor vehicle. Once registration is confirmed by eCustoms, the next step is to register for ROS on www.revenue.ie. Registration for ROS will provide access to the AIS trader portal and allow submission of an import declaration.

Combined Nomenclature (CN)

CN codes are set out in [TARIC](#). Vehicles are classified for customs purposes under goods code: 8700000000.

The most common vehicle code group is:

- 870321 - Motor cars and other motor vehicles principally designed for the transport.

Note that there is a different code for new and used vehicles:

- 8703211000 – new vehicle
- 8703219000 – used vehicle

VIN number

The inclusion of the Vehicle Identification Number (VIN) is critical to enable an imported vehicle to be cleared by the NCT centre.

6.2 Customs reliefs

Under certain conditions, vehicles can be imported from outside the EU free from payment of Customs Duty, VAT, or both. Further information on reliefs is available from customsreliefs@revenue.ie

Transfer of Residence

Persons transferring their residence may include their private vehicles on their Transfer of Residence (TOR) declaration form (C&E 1076), which covers the importation of personal items and household goods from outside the EU. More information on how to claim TOR relief is provided on the [Revenue website](#).

Returned goods relief

This relief applies to vehicles previously exported from the Customs Territory of the EU. These vehicles can be reimported from a third country into the EU without the payment of Customs Duty provided all required conditions for Returned Goods Relief are met.

The conditions include:

- The vehicle must be reimported by the same person.
- The vehicle must have been originally exported from the EU
- Must not have been altered
- Must be re-imported within three years of export from the EU.

Further information on the relief and details of how to claim it can be found on this Revenue eCustoms [notification](#).

Vehicle with UK Origin

Where the vehicle was manufactured in the UK and complies with the origin terms as set out in the EU-UK Trade and Cooperation Agreement, a preferential tariff rate of 0% may be claimed. Specific terms are laid out for this relief on this Revenue eCustoms [notification](#).

7 Direct Importation from Great Britain

Motor vehicles purchased from GB suppliers (or any other suppliers outside the EU), and brought into the State are imports for VAT and Customs purposes. They are liable to Customs Duty and to VAT at the point where they first enter the EU.

Importers of motor vehicles from outside the EU are required to:

- Complete and lodge an import declaration to Irish Customs in Revenue's [Automated Import System](#) ('AIS');
- Pay Customs Duties, if applicable; and
- Pay import VAT.

Information on the submission of the import declaration to Irish Customs can be found in [AIS Import Trader Guides](#) and the [Guide to Customs Import Procedures](#).

The VAT payable at import is charged at the standard rate of VAT on the customs value of the vehicle. Usually this will be the purchase price, plus the cost of transport and insurance, plus any Customs Duties payable. For further information, please see [Customs valuation](#). As outlined in above in Section 5 of this guidance, following import the motor vehicle must then be presented to the NCTS for registration.

7.1 Direct Importation from GB by VAT-Registered Motor Dealers

A motor dealer is a person who operates a business of buying and selling motor vehicles. Generally, motor dealers are registered for VAT. This section of the guidance outlines the process for a VAT-registered motor dealer importing a second-hand motor direct from GB.

A motor dealer who is not VAT-registered should not follow the process outlined here. Instead, any non-VAT-registered motor dealer should follow the process in Section 7.2 below regarding direct importation from GB by private individuals.

VAT-registered motor dealers have three options to account for VAT and Customs Duty on second-hand motor vehicles purchased from GB:

1. VAT and customs duty are both paid at the point of importation as detailed above. However, the import VAT can be reclaimed in the next VAT return filed by the trader, subject to normal rules on deductibility;
2. Using a [deferred payment](#) account. Where a trader is authorised to use a deferred payment account, the amount of VAT and Customs Duty due is calculated at the point of importation but is debited from a trader's deferred

payment account on the 15th of the month following importation. The import VAT can be reclaimed in the next VAT return filed by the trader, subject to normal rules on deductibility; or

3. Using [Postponed accounting](#) for VAT on importation. This scheme allows traders account for import VAT in their VAT return while simultaneously reclaiming the VAT subject to normal rules on deductibility. Revenue may exclude traders who do not fulfil certain conditions and requirements from using this scheme. Customs Duty remains payable at the point of importation.

Upon resale of the second-hand motor vehicle, the VAT-registered motor dealer must charge VAT at the standard rate on the full selling price of the vehicle (excluding VRT).

Motor vehicles imported this way cannot be sold under the Margin Scheme as they were purchased outside the EU, specifically in GB. (See Section 3 above for further details re Margin Scheme.)

Example 1 - Second-hand motor vehicle imported directly from DEF Motor Dealers in Liverpool into Dublin Port by ABC Motor Dealers who are an Irish motor dealer

The VAT and Customs Treatment is as follows:

Customs Declaration: ABC Motor Dealers, or a customs agent acting on their behalf, lodges a Customs import declaration on AIS.

Customs Duty: Customs Duty may be payable, depending on the [origin](#) of the vehicle.

VAT at import: VAT at import is calculated but as ABC Motor Dealers is registered for postponed accounting, they account for the import VAT in their VAT return and simultaneously claim an input VAT deduction, subject to the usual rules of deductibility.

SHMVPS: ABC Motor Dealers may be entitled to make a VAT related payment claim to the HMRC where the conditions of the UK's SHMVPS have been met.

Registration: ABC Motor Dealers is an authorised motor dealer. They will provide the foreign registration certificate relating to the motor vehicle and any other mandatory documents required when the vehicle is presented at an NCTS centre. When ABC Motor Dealers have a buyer for the vehicle, ABC Motor Dealers will finalise the registration on Revenue Online Service (ROS) and pay the VRT.

Onward Sale: ABC Motor Dealers charges VAT at the standard rate on the full selling price when the motor vehicle is resold. They cannot use the VAT margin scheme.

7.2 Direct Importation from GB by Private Individuals

Private individuals are required to pay the import VAT and customs duty at the time of importation. Deferred payment and postponed accounting arrangements are not applicable to such importations.

Example 2 - Second-hand vehicle imported directly from Fishguard to Rosslare by Joe Bloggs

The VAT and Customs Treatment is as follows:

Customs Declaration: Joe Bloggs, or a customs agent acting on his behalf, lodges a Customs import declaration on AIS.

Customs Duty: Customs Duty may be payable, depending on the origin of the vehicle.

VAT on import: VAT at the standard rate is payable on the customs value of the vehicle. This is paid through the import declaration.

Registration: Joe Bloggs registers the vehicle with the NCTS within 30 days and pays any VRT due. This process is the same whether Joe Bloggs purchases the vehicle from a private individual, or a motor dealer, in the UK.

8 Indirect Importation from Great Britain via Northern Ireland

Motor vehicles purchased from suppliers outside the EU are liable to Customs Duty and import VAT at the point where they first enter the EU and NI in accordance with the Windsor Framework.

8.1 Indirect Imports from GB via NI by VAT Registered Motor Dealers

A motor dealer is a person who operates a business of buying and selling motor vehicles. Generally, motor dealers are registered for VAT. This section of the guidance outlines the process for a VAT-registered motor dealer importing a second-hand motor indirectly from GB via NI.

A motor dealer who is not VAT-registered should not follow the process outlined here. Instead, any non-VAT-registered motor dealer should follow the process in Section 8.2 below regarding indirect importation from GB via NI by private individuals.

When a second-hand motor vehicle from GB is routed indirectly into the State through NI by an Irish VAT-registered motor dealer, there are two customs clearance options:

1. Complete the [import formalities in NI](#). Customs import formalities are completed by using the HMRC [Customs Declaration System](#) (CDS) which facilitates the payment of import duties and VAT, where these apply. The motor vehicle can then move freely to the State, without the need for further customs formalities, or
2. Use the [transit procedure](#) to raise a transit declaration in GB and complete the import formalities in the State. This means that an import declaration must be lodged in Revenue's [Automated Import System](#) (AIS) when the motor vehicle moves into the State. Customs duties, if applicable, and import VAT is paid through AIS.

Further information on these options can be found on the [Revenue website](#).

If a motor dealer is not VAT registered, the process as set out below for [indirect imports from GB, by private individuals](#) equally applies to them.

In summary, if:

- the second-hand motor vehicle is customs cleared in NI, and
 - evidence of customs clearance (i.e., a copy of the NI Customs Declaration) can be provided when the vehicle is presented in this State for registration,
- then the vehicle can be registered in the State without any further import VAT and Customs Duty implications. Where such evidence cannot be provided, the second-hand motor vehicle is treated as if it were imported directly from GB, and the VAT and Custom Duty implications outlined in [section 7](#) apply.

If the second-hand motor vehicle is moved into the State using the transit procedure, import formalities will be completed in the State as if it were a [direct importation from GB by a VAT-registered motor dealer](#). As outlined above, this means that a Customs import declaration must be completed in the State and Customs Duties, if applicable, and import VAT must be paid prior to registration.

If the second-hand motor vehicle is moved into the State and evidence cannot be provided that it has been cleared by the Customs Authorities in NI, or that it moved under the transit procedure, then the second-hand vehicle is treated as if it were imported directly from GB and the VAT and Custom Duty implications outlined in [section 7](#) apply.

Regardless of the customs procedures used, motor vehicles imported this way cannot be sold under the Margin Scheme as they originated outside the EU, specifically in GB. (See Section 3 above for further details re Margin Scheme.)

8.2 Indirect Imports from GB via NI by Private Individuals

When a second-hand motor vehicle from GB is routed indirectly into the State through NI by a private individual, they can complete the [import formalities in NI](#).

The private individual, or the person responsible for the movement of the goods (a customs clearance agent), can submit an NI import declaration using the [HMRC Customs Declaration System](#). If evidence of such customs clearance in NI (i.e., a copy of the NI Customs Declaration) is provided when the vehicle is presented in this State for registration, then the vehicle can be registered in the State without any further VAT and Customs Duty implications.

The transit procedure is not available to private individuals, although an individual can engage a customs clearance agent who may be authorised to use this procedure.

If the second-hand vehicle is moved into the State and evidence cannot be provided that it has been cleared by the Customs Authorities in NI, then the second-hand vehicle is treated as if it was imported directly from GB, and the VAT and Customs Duty implications outlined in [section 7](#) apply.

9 Purchase of a second-hand motor vehicle from NI which was previously used there

Under the Windsor Framework, NI remains aligned with EU rules concerning the movement of goods. As such, the movement of motor vehicles from NI into Ireland does not attract Customs formalities or tariffs. However, there are certain VAT and Custom Duty considerations depending on the nature of the transaction and the previous use of the vehicle.

- (i) Vehicles legally in NI prior to 1 January 2021 and which have been kept there since i.e. have not been sold, exported, transferred, or otherwise moved outside of NI except for *ad hoc* journeys undertaken by the NI resident owner of the vehicle as part of their normal ownership and usage of the vehicle or normal business usage will require proof of this status.
- (ii) A second-hand motor vehicle that has been imported in accordance with the Windsor Framework can be registered in the State without any further liability to Customs Duty and import VAT. This can be proven by providing an NI Import Declaration.

Motor vehicles purchased in NI which do not meet the criteria set out in categories (i) or (ii) above are not customs-cleared in the State and cannot be registered. Subject to the exception below, importers of vehicles in this category will be required to file a customs declaration in either NI or IE and will be liable to customs duty (where applicable) and import VAT.

Where a vehicle has been correctly imported into NI, Revenue understands that there may be circumstances where a subsequent purchaser cannot get proof of the filing of the customs declaration at the time of the original import. In cases where the person purchasing the vehicle in NI and bringing it into the State is purchasing from either –

- a motor dealer who is not the original importer into NI and is not connected with that person (i.e. the motor dealer acquired the vehicle as a ‘trade-in’ from an NI resident), or
- a private individual who is not the first owner of the vehicle in NI, since its importation,

then, Revenue may, at its absolute discretion, accept other proof which shows to Revenue’s satisfaction that the vehicle was properly imported into NI and has been customs cleared and is in free circulation there.

In such circumstances, Revenue will require all the following documentation:

- (a) the original V5C issued, at the time of purchase by the last registered keeper, showing that they are resident in NI,
- (b) a vehicle service history in NI, and
- (c) where a vehicle is liable to an MOT, the Ministry of Transport (MOT) test history in NI.

All three categories of documentation are required as a minimum and **where any risk issues or concerns are identified Revenue may request additional information or documentation.**

Additional proofs which may be acceptable to Revenue, where additional documentation is requested, include:

- (i) Insurance details in the name and address of the last registered keeper in NI, showing the vehicle registration number and the period of insurance cover for that vehicle.
- (ii) Telematics tracking data downloaded from the vehicle’s onboard computer, clearly identifying the vehicle in question and showing a usage pattern for the vehicle consistent with ownership and use in NI (including EV charging station location data).

Before purchasing a second-hand motor vehicle in NI, the purchaser should ensure that they will be provided with a customs declaration lodged in NI or where an exception may apply, the necessary documentation to prove to Revenue that the motor vehicle was properly imported into and in use in NI immediately prior to purchase. Note that where a vehicle was purchased directly from a motor dealer or a private individual who was the person/company which originally imported the vehicle into NI, a copy of the customs declaration will be required. No other documentation will be acceptable as proof in such cases. Revenue does not pre-approve vehicles or documentation prior to purchase or registration appointment.

If the requisite proof(s) cannot be provided to the satisfaction of Revenue, then the second-hand vehicle is treated as if it was imported directly from GB, and the VAT and Customs Duty implications outlined in [section 7](#) apply.

9.1 Purchase by a VAT Registered Motor Dealer of a second-hand motor vehicle from NI which was previously used there

A motor dealer is a person who operates a business of buying and selling motor vehicles. Generally, motor dealers are registered for VAT. This section of the guidance outlines the process for a VAT-registered motor dealer purchasing a second-hand motor from NI which was previously used there, and bringing the vehicle into the State.

A motor dealer who is not VAT-registered should not follow the process outlined here. Instead, any non-VAT-registered motor dealer should follow the process in Section 9.2 below regarding [Purchase by a private individual of a second-hand motor vehicle from NI which was previously used there](#).

VAT-registered motor dealers can purchase motor vehicles from NI from motor dealers operating the Margin Scheme, or as an Intra-Community Acquisition from a VAT registered trader. They can also purchase motor vehicles from private individuals.

9.1.1 Second-Hand Motor Vehicles Purchased under the Margin Scheme

Most transactions by motor dealers involving second-hand motor vehicles which have been previously used in NI will come within the scope of the [Margin Scheme](#).

In such cases, the VAT-registered motor dealer in the State is not entitled to claim any input VAT. The Margin Scheme may apply to any onward sale of the vehicle.

Example 3 - Second-hand motor vehicle purchased as a Margin Scheme vehicle by ABC Motor Dealers in Dublin from DEF Motor Dealers in Belfast. The vehicle previously imported into NI in 2022 by DEF Motor Dealers.

The VAT and Customs Treatment is as follows:

Margin Scheme: ABC Motor Dealers pays NI VAT on the NI motor dealer's margin. As the motor vehicle is a Margin Scheme vehicle, ABC Motor Dealers cannot claim input VAT in their VAT return.

Proof required at NCTS centre: ABC Motor Dealers are authorised traders. They obtain the NI Customs Declaration and provide this, along with any other mandatory documents required, when the vehicle is presented at an NCTS centre. When ABC Motor Dealers have a buyer for the vehicle, ABC Motor Dealers will finalise the registration on Revenue Online Service (ROS) and pay the VRT.

VAT or Customs Duty: NI Customs Declaration provided showing the vehicle was imported in accordance with the requirements of the Windsor Framework, so there will be no additional import VAT or Customs Duties payable.

Onward Sale: ABC Motor Dealers sells the motor vehicle under the VAT Margin Scheme.

9.1.2 Second-Hand Motor Vehicles Purchased as an Intra-Community Acquisition

When a VAT-registered motor dealer in the State purchases a second-hand motor vehicle from a VAT-registered trader in NI (other than a motor dealer or a person operating the Margin Scheme), this is treated as an [Intra-Community Acquisition \(ICA\)](#) by the trader in the State. For example, a VAT-registered trader in NI could be selling a motor vehicle on which input VAT was reclaimed at the time of its acquisition. In this case, the dealer in the State is required to self-account for VAT on a reverse charge basis. This means that they account for the VAT in their VAT return at the rate of VAT which applies in the State.

9.1.3 Second-Hand Motor Vehicles Purchased from a Private Individual

When a VAT-registered motor dealer in the State purchases a second-hand motor vehicle from a private individual, the motor dealer is not charged VAT as the seller is not in business. The motor dealer can use the Margin Scheme on the onward sale of the motor vehicle. They should obtain a copy of a customs declaration lodged in NI in respect of the motor vehicle, or if this is not available then documentation showing in the vehicle was properly imported into NI and was in free circulation there prior to their purchase of the vehicle – see Section 9 above – as this will be required when the vehicle is presented for a pre-inspection or for registration at an NCTS centre.

9.2 Purchase by a Private Individual of a second-hand motor vehicle from NI which was previously used there

The vehicle can be registered in the State by the private individual without further VAT or Customs Duty implications once a copy of a customs declaration lodged in NI

in respect of the motor vehicle can be provided when registering the vehicle at the NCTS. In all other cases, see section 9 above.

10 Purchase of a second-hand motor vehicle from NI which was not previously used there

If the second-hand motor vehicle was imported into the State from GB via NI, the purchaser in the State must provide evidence (i.e. an NI Customs Declaration) that the motor vehicle was imported into NI in accordance with the Windsor Framework. It can then be registered in the State without liability to Customs Duty and Import VAT.

If evidence of Customs clearance in NI cannot be provided, the motor vehicle is treated as if imported directly from GB.

10.1 Purchase by a VAT-Registered Motor Dealer of a second-hand motor vehicle from NI which was not previously used there

A motor dealer is a person who operates a business of buying and selling motor vehicles. Generally, motor dealers are registered for VAT. This section of the guidance outlines the process for a VAT-registered motor dealer who purchases a second-hand motor vehicle from NI that was not previously used there.

A motor dealer who is not VAT-registered should not follow the process outlined here. Instead, any non-VAT-registered motor dealer should follow the process in Section 10.2 below for [Purchase by a private individual of a second-hand motor vehicle from NI which was not previously used there](#).

VAT-registered motor dealers can purchase motor vehicles from NI from motor dealers who claimed under the SHMVPS, or as an Intra-Community Acquisition from a VAT-registered trader. They can also purchase motor vehicles from private individuals in NI.

10.1.1 Second-Hand Motor Vehicles purchased from a VAT-Registered Motor Dealer who claimed under the SHMVPS

When a VAT-registered motor dealer in the State purchases a second-hand motor vehicle from a VAT-registered motor dealer in NI who claimed under the SHMVPS, and the vehicle has not been in use in NI (as it has been held as stock-in-trade) and has been imported to NI in accordance with the requirements of the Windsor Framework, (i.e. customs formalities have been completed), this transaction is treated as an Intra-Community Acquisition (ICA) by the motor dealer in the State.

Example 4 - ABC Motor Dealers in Cork purchase a second-hand motor vehicle from DEF Motor Dealers in Derry. DEF Motor Dealers purchased the motor vehicle from a private individual in Liverpool and claimed under the SHMVPS.

The VAT and Customs Treatment is as follows:

Intra-Community Supply/Acquisition: DEF Motor Dealers treats the sale as an intra-Community supply at the zero rate of VAT. ABC Motor Dealers self-accounts for VAT at the standard rate on the full selling price of the motor vehicle.

Proof required at NCTS centre: ABC Motor Dealers are authorised traders and obtain a copy of the customs declaration, proof that the motor vehicle was properly declared to HMRC on import into NI by DEF Motor Dealers. They provide this proof, along with any other mandatory documents required, when the vehicle is presented at an NCTS centre. When ABC Motor Dealers have a buyer for the vehicle, ABC Motor Dealers will finalise the registration on Revenue Online Service (ROS) and pay the VRT.

No further VAT or Customs Duty: Provided proof can be provided that the motor dealer properly declared the motor vehicle to HMRC on import into NI, no additional import VAT or Customs Duties are payable.

Onward Sale: ABC Motor Dealers charges VAT at the standard rate on the full selling price of the motor vehicle. They cannot use the Margin Scheme for this sale.

10.1.2 Second-Hand Motor Vehicle purchased from a Private Individual

When a VAT-registered motor dealer in the State purchases a second-hand motor vehicle from a private individual in NI, the motor dealer is not charged VAT as the seller is not in business. As the motor vehicle has not been in use in NI, the motor dealer should obtain from the private individual a copy of the customs declaration lodged to HMRC when the car moved from GB to NI, as this will be required upon registration of the motor vehicle in the State. If evidence cannot be provided that it has been cleared by the Customs Authorities in NI, the second-hand vehicle is treated as if it was imported directly from GB and the VAT and Customs Duty implications outlined in [section 7](#) apply.

The Irish trader cannot sell the vehicle under the Margin Scheme.

10.2 Purchase by a Private Individual of a second-hand motor vehicle from NI which was not previously used there

The vehicle can be registered in the State by the private individual without further VAT or Customs Duty implications provided a copy of the Customs Declaration lodged in NI can be provided on registration.

Example 5 - Second-hand motor vehicle, customs cleared on import to NI, is purchased from DEF Motor Dealers in Derry by Joe Bloggs.

The VAT and Customs Treatment is as follows:

NI VAT at the standard rate: DEF Motor Dealers dealer charges NI VAT at the standard rate of VAT, currently 20%.

Proof at registration: Joe Bloggs obtains proof that the motor vehicle was properly declared on import into NI and presents this at the NCTS centre when registering the vehicle. Joe Bloggs pays any VRT due.

No further VAT or Customs Duty: Provided the above is satisfied, no additional VAT or Customs Duties are payable.

Appendix I– Import Scenarios– VAT and Custom Duty Treatment

Scenario	Customs Duty	Import VAT	Notes – registration in Ireland (VRT) applies in all cases	Can Irish Margin Scheme apply
Import directly from GB by VAT registered motor dealer	May apply depending on the origin of the vehicle	Applies at Standard Rate of VAT	VAT and Customs Duty payable (if applicable) at import, deferred payment may be available. Alternatively, postponed accounting may be available for VAT only.	No, the vehicle originated outside the European Union
Import directly from GB by private individual	May apply depending on the origin of the vehicle	Applies at Standard Rate of VAT	VAT and Customs Duty (if applicable) payable at import.	n/a
Import indirectly from GB via NI by VAT registered motor dealer	Dependent on customs clearance option used	Dependent on customs clearance option	Import formalities could be completed in NI. If transit procedure used, VAT and Customs Duty (depending on the origin of the vehicle) paid through AIS.	No, the vehicle originated outside the European Union
Import indirectly from GB via NI by private individual	May apply if import formalities not completed in NI	Applies at the Standard Rate of VAT if import formalities not completed in NI	If Import formalities are not completed in NI, VAT and Customs Duty (depending on the origin of the vehicle) payable at import into the State	n/a
Import directly from NI (vehicle used in NI, proof of customs declaration not available) by VAT registered motor dealer	No	No	No Irish (IE) customs formalities where it can be shown, to Revenue's satisfaction, that the vehicle was properly imported to NI and in free circulation there – see section 9 of this TDM.	It may be sold under Margin Scheme or treated as an ICA depending on the conditions of the sale.
Import directly from NI (vehicle used in NI, proof of customs declaration not available) by private individual	No	No	NI VAT at UK standard rate applied at point of sale when purchased from a NI motor dealer. No IE customs formalities where it can be shown, to Revenue's satisfaction, that the vehicle was properly imported to NI and in free circulation there	n/a

Scenario	Customs Duty	Import VAT	Notes – registration in Ireland (VRT) applies in all cases	Can Irish Margin Scheme apply
Import directly from NI (vehicle customs cleared in NI, not used in NI) by VAT registered motor dealer	No	No	No IE customs formalities where proof of customs clearance in NI is provided. It is treated as an ICA depending on the conditions of the sale.	No, the vehicle originated outside the European Union
Import directly from NI (vehicle customs cleared in NI, not used in NI) by private individual	No	No	No IE customs formalities where proof of customs clearance in NI is provided. NI VAT at UK standard rate applied at point of sale when purchased from a NI motor dealer.	n/a
Import directly from NI by a VAT registered motor dealer (customs declaration or proof that vehicle is in free circulation in NI is not available so it is treated as a direct importation from GB)	May apply depending on the origin of the vehicle	Applies at the standard rate of VAT	VAT and Customs Duty (if applicable) payable at import, deferred payment may be available. Alternatively, postponed accounting may be available for VAT only.	No, the vehicle originated outside the European Union
Import directly from NI by a private individual (customs declaration or proof that vehicle is in free circulation in NI is not available so it is treated as a direct importation from GB)	May apply depending on the origin of the vehicle	Applies at the standard rate of VAT	VAT and Customs Duty (if applicable) payable at import.	n/a

Appendix II – Documentation Requirements for Registration

Import Route	Required Documents
Direct import from GB	V5C, IE Customs declaration and any other supporting documentation
Import via NI (cleared in NI)	V5C, Customs clearance evidence in NI and any other supporting documentation
Import via NI (not cleared and not used in NI)	V5C, IE Customs declaration
Vehicle used in NI (where customs clearance is not available)	V5C and any other supporting documentation, including, but not limited to, a V5C showing NI registration; a MOT history in NI; a vehicle service history in NI, insurance documents, telematics tracking data, etc. can be provided as proof that the vehicle was in free circulation in NI.

Please see <https://www.revenue.ie/en/vrt/vehicle-registration-tax/procedure-at-ncts-centre.aspx> for details of the other supporting documents required for registration.