



## **INTRASTAT GUIDE FOR GRAIN ARRIVALS**

**Updated April 2016**

This guide has been produced by AHDB Cereals & Oilseeds, with the guidance and support of HM Revenue and Customs to assist companies in completing the statutory requirements for Intrastat grain arrivals.

**All UK VAT registered companies are required by law to complete Intrastat declarations if their trade with other EU Member States exceeds an annual value threshold. This document outlines your responsibility**

## UK Intrastat Declarations for Grain Arrivals

***This guidance only refers to arrivals (purchases) of grain from other EU Member States to UK VAT registered companies.***

Intrastat reporting of grain sales between EU Member States has often presented problems to those involved, particularly in deciding who is responsible for reporting the arrival of grain from another EU country and which Member State is the partner country in the transaction. AHDB Cereals & Oilseeds, HM Revenue and Customs (HMRC) and the trade have produced this guide to aid those involved in the purchase of grain from other EU Member States. This guide is also available to download at [cereals.ahdb.org.uk](http://cereals.ahdb.org.uk).

NB Although Intrastat is a common system throughout the EU, this guidance is only applicable in the UK.

If you require guidance on the reporting of Intrastat dispatches (sales) of grain please refer to our guide 'Intrastat Guide for Grain Dispatches'.



### Why do I have to do Intrastat declarations?

All UK VAT registered businesses must complete boxes 8 and/or 9 on their VAT returns showing the total value of any goods supplied to other EU countries (dispatches) and the total value of goods acquired from other EU countries (arrivals). This information has to be supplied each month on a supplementary declaration (SD) when the value of a business's EU trade in dispatches and/or arrivals exceeds the Intrastat assimilation threshold. The current threshold is published in the Intrastat General Guide (Notice 60). The requirement to report Intrastat data is compulsory and is detailed in EU regulations 638/2004 (as amended by Regs. 222/2009) and 1982/2004 (as amended by Regs. 1915/2005, 91/2010 and 96/2010). The main details of these regulations and other guidance are published in the Intrastat General Guide which is available on line at [www.gov.uk](http://www.gov.uk)

Note: Intrastat is only applicable to trade between the 28 EU Member States, not goods traded to or from non-EU countries. Details of EU Member States and their associated territories are shown in the Intrastat General Guide (Notice 60).



## When should Intrastat declarations be filled in?

EU legislation allows the Intrastat reference period (that is the month during which the transaction is deemed to have occurred) to be either the date on which the goods actually arrive in or leave the UK, or the VAT tax point. Businesses may decide which method will best enable them to meet the accuracy and timeliness requirements of the Intrastat system. Whichever method is used, the data must be reported to HMRC by the end of the month following the reference period (it is recommended that only one method is used, for consistency) and it is mandatory to declare arrivals on a monthly basis, irrespective of when the goods may be sold on or used for processing.

Although 'nil returns' are not a legal requirement, unnecessary contact from HMRC can be avoided by submitting them for any month in which you do not have intra-EU trade.



## Who is responsible for completing the Intrastat declaration?

This has been an area of confusion in grain arrivals and the intention of this guidance is to clarify where the responsibility for reporting intra-EU arrivals lies. The explanations and examples in this guide are intended to make your Intrastat responsibilities clearer, but you should **never** assume that reporting Intrastat data is not your responsibility; it is your legal obligation to check. The party responsible for completing the SD is normally **the UK VAT registered business who concluded the contract which gave rise to the physical movement of the grain across the UK frontier from another EU Member State (the 'partner country')**. This includes **transport across the frontier between Ireland and Northern Ireland**. This may or may not be a UK based company, since non-UK companies may be registered for VAT in the UK.

Intrastat legislation allows three basic variations on the question of who is responsible for reporting arrivals. These are the VAT registered company:

- Which concluded the contract giving rise to the delivery of the goods (in the UK) or
- Which takes delivery of the goods or
- In possession of the goods which were the subject of the delivery.

For example, if the company which arranges the transaction giving rise to the arrival of a consignment of grain is a UK company (and VAT registered in the UK) then this company is responsible for the Intrastat declaration. If the company which arranges the transaction is a UK company but not registered for UK VAT or is a non-UK company that is not registered in the UK, the UK VAT registered company that the grain is delivered to is responsible for the Intrastat declaration (see examples 1 - 5 for more clarification on this).

To summarise: If you are the first UK VAT registered company (even if you are a non-UK company) selling to another UK VAT registered company OR the first receiver of the goods in the UK, having bought from a non-UK VAT registered company **you are liable for the Intrastat declaration**. If in doubt, check with your supplier as to who is in the supply chain and always ask for VAT numbers on commercial invoices.

**It is the responsibility of the companies involved in the transaction to ensure that only one Intrastat declaration is made for the transaction.** If there is any doubt about the responsibility for the Intrastat declaration, companies should contact the Trade Statistics unit via the contact details at the end of this leaflet.

If VAT acquisition tax is involved, it is usual for the company accounting for the tax to report the Intrastat arrival. In cases of doubt, HMRC will apply the legislation, so you must ensure that your Intrastat obligations have been correctly discharged.



### **What is the partner country for grain arrivals?**

**In most cases, the partner country will be the Member State in which the grain has been harvested.**

For Customs cleared extra-EU origin grain, however, the partner country for Intrastat purposes is the Member State from which it has been dispatched prior to arrival in the UK (usually the country in which it was customs cleared).

Some grain of EU origin passes through other EU Member States before arrival in UK. However, if the grain only passes through other Member States for transport purposes (which may include storage\* for a period), the partner country remains the country where the grain was harvested. For example, a consignment of grain is harvested in Hungary and trucked across the intervening EU Member States to France where it is put into storage to await sea transport to the UK. The grain is ultimately loaded onto sea transport and delivered to a UK port.

The partner country would only change from the country of harvest to another country if the grain were sold and delivered to a company in another Member State (eg Germany) or if some operation was carried out on the grain which wasn't inherent in the transport to the UK.

To determine whether or not you are liable for completing the SD, you need the following information (all of which should appear on a commercial invoice):

- 1) Confirmation of arrival of the goods in the UK (discharge port for shipments/point of arrival for lorries).
- 2) Tonnage (Bill of Lading weight, discharge weight or weighbridge ticket (for lorries)).

- 3) Origin of the goods prior to dispatch to UK. If they are of third country origin and have been customs cleared in another Member State, they are deemed to be in free circulation and have the same status as Community goods (see example 9).

Note: It is important to declare the actual EU partner country from which the grain has been transported to the UK. This may differ from the nationality of the company from whom you are buying it (see example 2 below).

- 4) The VAT number of your seller. (NB This is not required for Intrastat but may assist in identifying the EU partner country in the transaction.)

\* The length of time that grain may be stored 'in transit' is not defined. As long as the storage is part of the transport arrangements, the partner country, ie the country of harvest, does not change.




### Practical Examples:

#### Key for the following examples:

VR = VAT registered

↓ = Sells to

 = Shipped to

 = Trucked to

UK = United Kingdom

PT = Portugal

DE = Germany

FR = France

ES = Spain

IE = Ireland

NI = Northern  
Ireland

All traders in these examples are assumed to be registered for VAT.

For simplicity, companies involved in the 'string' are designated 'A', 'B', 'C' etc. Thus 'B' FR (VR in France) indicates a French company registered for VAT in France, 'C' ES (VR in Spain) a company registered for VAT in Spain etc. Whereas 'B' FR (VR in the UK) indicates a French company registered for VAT in the United Kingdom.

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**Example 1**

Company 'B' purchases the grain from Company 'A' and is responsible for the Intrastat declaration as the UK VAT registered company which concluded the contract giving rise to the movement of the grain across the UK frontier. The partner country is Germany as this is a direct shipment of grain from Germany.

'A' DE (German Grain)



'B' UK (VR in UK)

**Example 2**

Company 'B' purchases the grain from Company 'A' and sells it on to Company 'C' who arranges shipment to the UK. Company 'C' is responsible for the Intrastat declaration. The grain is delivered direct from Germany, so Germany is the partner country.

'A' DE (German grain)



'B' FR



'C' UK (VR in UK)

**Example 3**

Company 'B' purchases the grain from company 'A' in France. Company 'B' then sells on the grain to Company 'C', a German company, which in turn sells to Company 'D', a VAT registered UK company. Company 'D' arranges shipment of the grain direct from France to the UK. Company 'D' is therefore responsible for the Intrastat declaration. The partner country remains France because the grain travelled directly from France to the UK.

'A' FR (French grain)



'B' UK (VR in UK)



'C' DE

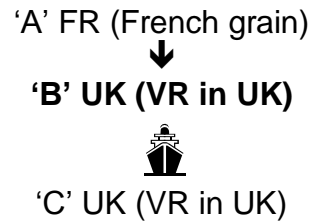


'D' UK (VR in UK)

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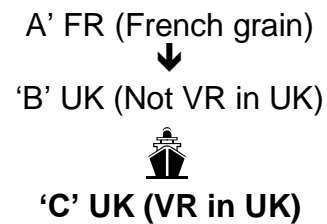
**Example 4**

Company 'B' purchases the grain from Company 'A' and ships it to the UK, selling it to Company 'C'. Company 'B' is responsible for the Intrastat declaration because they arranged for the goods to come into the UK.



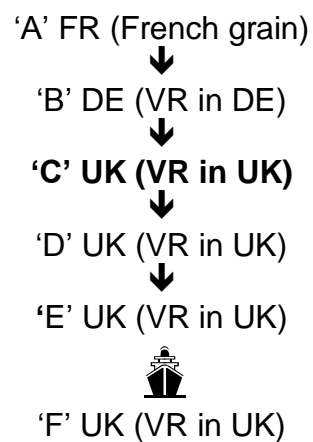
**Example 5**

Company 'B' purchases the grain from Company 'A' and ships it to the UK, selling it to Company 'C'. However, Company 'B' is not registered for VAT in the UK and therefore Company 'C' is responsible for the Intrastat declaration because grain has been delivered to them. France remains the partner country.



**Example 6**

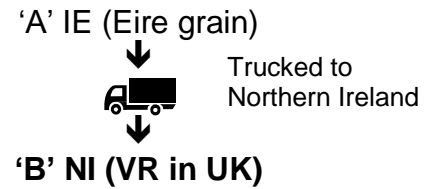
Company 'B' purchases grain from Company 'A' and sells it on to Company 'C' who in turn sells the grain to Company 'D'. Company 'D' then sells the grain to Company 'E' which is in turn purchased by Company 'F'. The grain is shipped directly from France to the UK, so France is the partner country. Company 'C' was responsible for arranging the shipment of the grain to the UK, even though two other, intermediate, companies were involved and a third received the grain. Company 'C' is therefore responsible for the Intrastat declaration, as the company responsible for the goods arriving in the UK.



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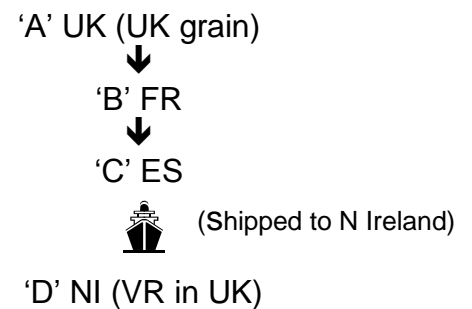
**Example 7**

Company 'B' is responsible for Intrastat declaration as it arranged to have the grain delivered to Northern Ireland; the partner country is Ireland (Eire).



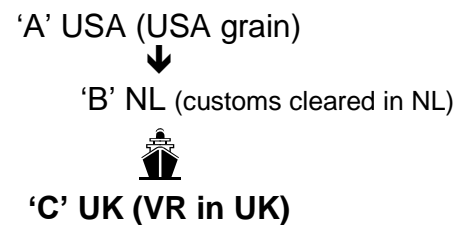
**Example 8**

Company 'B' purchases the grain from Company 'A' and sells it on to Company 'C' who in turn sells it to Company 'D'. There is **NO** Intrastat liability, as the goods have remained in UK.



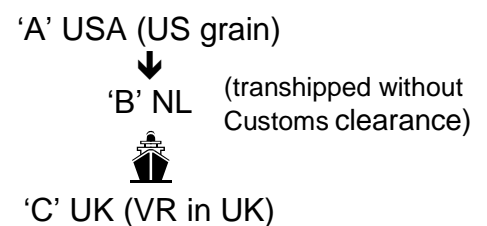
**Example 9**

Company 'B' purchases the grain from Company 'A' and sells it on to Company 'C' who arranges shipment to the UK. Company 'C' is responsible for the Intrastat declaration and the partner country is the Netherlands, as goods cleared customs and are in free circulation in the EU.



**Example 10**

Company 'B' purchases the grain from Company 'A' who sells it on to Company 'C'. The grain is transhipped in the Netherlands without clearing customs. There is **NO** Intrastat liability but at the UK port, the goods are subject to customs import control from a non-EU country.





**Finally, remember .....**

- 1) Ensure the partner country is declared as the country from which the grain is arriving, NOT just the nationality of the company from whom it is purchased.
- 2) Be careful to declare it using the correct eight digit commodity code for the type of wheat involved, ie common wheat (1001 9900) or durum wheat (1001 1900). NB These codes should be checked each year as they may change.
- 3) Remember, if you are the first UK receiver and are putting goods into store to re-sell, you are still normally responsible for declaring the arrival of those goods on Intrastat in the month of their arrival. (See 'Who is responsible for completing the Intrastat declaration?' above.)
- 4) Enter the tonnage that has arrived in the UK correctly – check your figures and enter the requested information in net kilograms to the nearest whole kilogram above. Do not enter any decimal places.
- 5) If the origin on your contract states "EU", it is your obligation to determine the partner Member State in the transaction. (See 'What is the partner country for grain arrivals').

**Contact Details**

For general enquiries, please email [uktradeinfo@hmrc.gsi.gov.uk](mailto:uktradeinfo@hmrc.gsi.gov.uk) putting 'Grain Arrivals' in the subject box.

Alternatively contact:

Trade Statistics unit  
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