UK government’s 2025 border strategy

Indirect Tax

28 January 2022

The UK government’s 2025 border strategy, published in December 2020, sets out its ambition for the UK to have the world’s most effective border, which is efficient, simplified and secure. This will impact on the taxation position for the cross-border movement of goods within the broader application of the strategy for businesses, logistics providers and travellers.

The CIOT has been involved with the Border Strategy project (tinyurl.com/yetn29p7) through our representation on HMRC’s Joint Customs Consultative Committee (JCCC) (tinyurl.com/yrn3r2ts) and the Border Protocol Delivery Group. These forums are attended by a broad range of representative body stakeholders for the advisory, logistics and industry sectors. The CIOT’s attendance at these meetings is reported in our weekly emailed newsletter with arising relevant border updates published in our technical news (www.tax.org.uk/technical-news/1).

HMRC have reviewed border processes in Australia, Netherlands, Singapore and Sweden, as these countries are identified as having certain elements that are particularly facilitative. Examples include: use of blockchain; a network platform ‘single window’ that interacts with numerous agencies; businesses with high compliance levels enjoying expedited customs clearance; and operating an effective EU/non-EU border.

The forum meetings that the CIOT has attended have looked at how some of these processes can be taken forward for the UK’s border. At a recent meeting in respect of considering ‘the single window’, the CIOT was able to raise the point that any new multi-agency, multi-user single platform for the border should be future-proofed. We suggested that it will be important that potential new border taxes could be added; for example, should (hypothetically) a new green taxation policy be

introduced that required declarations at the border based on CO2 emissions on imported goods.

If you want to contribute

If you have any feedback on how you would like to improve the border processes for customs duty, excise duty or other border taxes, or if you have experience of border processes in other countries that you would like to see implemented in the UK's 2025 border strategy, please contact technical@ciot.org.uk so that we can consider these as part of our ongoing engagement with HMRC.