UK Reforms for Low Value Imports

The UK Government is removing the £135 Low Value Import (LVI) relief from customs duty for products imported to the UK, which will apply to e-commerce purchases and print subscriptions supplied by subsidiaries or overseas partners. This means that goods valued under £135 will no longer be exempt from customs duties. This move follows similar changes to De Minimis exemptions in the EU and the US.

The measure will come into force by October 2028 at the latest. They are currently consulting businesses on their draft legislation.

Additional processing charges for imports look likely, but the details and their implications for businesses have not been fleshed out yet. However, current proposals mean that magazines entering the UK should retain their 0% duty rate, so magazines shouldn't incur new customs duties, only processing charges.

The UK reforms are intended to support fair competition and improve compliance by bringing the customs treatment of LVI import closer to that of goods imported as freight.

You can read the government's consultation response, which outlines their proposals, in full here.

If you have any questions, please contact charlotte.jeffreys@ppa.co.uk.

Convergence and Divergence from EU

The UK and EU are pursuing the same underlying objective and eventual destination but via structurally different transitional mechanisms. This carries a risk for publishers trading in both directions. It's important to note that the UK guidance is still being dev eloped, meaning that a lot of the technical detail is still to come.

The similarities (convergence) and differences (divergence) of the UK and EU approaches are outlined in the table below. (**C**) represents an area of convergence and (**D**) represents divergence between the two. Given members' familiarity with the EU customs duty, this table hopefully serves as a useful jumping off point for reflections on how the UK reforms could practically affect publishers.

	UK LVI	**EU De Minimis**
Timeline	October 2028 onwards	2026-2028
Notes on timeline (**D**)	The UK has a single implementation deadline of October 2028. Ongoing "monitoring" is mentioned	The EU has a time-boxed transitional measure, with two explicit statutory review points. There will be

	but no statutory review is specifically outlined.	a diversion-of-trade flows assessment from October 2026 and an IT-infrastructure-readiness assessment by December 2027 (which may trigger an extension).
Value threshold (**C**)	£135	€150
Reasons for reform (**C**)	Undervaluation, VAT non-compliance and misuse of existing arrangements.	Undervaluation, VAT non-compliance and misuse of existing arrangements.
Impact on duty-free threshold (**C**)	Eliminates the duty-free threshold outright.	Eliminates the duty-free threshold outright.
Current classification (**D**)	Full UKGT (UK Global Tariff) classification, to bring closer to goods imported as freight.	Product Identifiers (PIDs)
Future classification (**C**)	Full UKGT classification	Full tariff classification
Interim charges (**D**)	The UK rejected an interim approach, meaning costs shouldn't come until the legislation comes into force in 2028.	The EU has applied a simplified, flat-rate approach of €3 per item for any IOSS-registered operators, until the full customs reforms are implemented in 2028. A handling fee of €2 is also expected in Autumn 2026.
End state charges (**D**)	The full UKGT classification preserves the existing 0% duty-free treatment for periodicals. However, the UK Government has stated its intention to recover compliance/processing costs, meaning additional costs will be introduced. The design is still being finalised but will likely be per-consignment.	The EU's flat-rate mechanism overrides periodicals' 0% duty rate, meaning magazines still incur the €3 cost. Once custom reforms are in place, it is likely that the EU will return to zero- or reduced-rates for printed products. The handling fee looks to be permanent, meaning this increased cost will remain for anyone importing to the EU.
Scope-narrowing mechanism (**D**)	The UK's regime applies to all consignments valued under £135 regardless of channel (IOSS-equivalent, postal or otherwise).	The EU's flat rate is deliberately scoped to IOSS-registered operators and postal consignments, to catch the bulk of -ecommerce parcels while leaving commercial/freight-style operators on the standard tariff.

Exemptions (**D**)	The UK government do not intend to introduce exemptions based on specific product types or availability in the UK.	Standard B2B commercial imports with a VAT-registered recipient are exempt under the temporary customs duty.
Private-to-private gifts (**D**)	The draft legislation proposes that "legitimate gifts" valued under £39, sent between individuals, will not be in scope. The legislation identifies risk for abuse of this measure, which it states it will monitor.	The EU customs duty legislation doesn't cover gifts, because its purpose is the application of the €3 duty.
Fiscal representation and declarant responsibility (**C**)	Domestically accountable party required. Non-UK sellers/marketplaces without a UK presence must appoint a UK-based fiscal representative with joint and several liability (where each party in a contract is liable) for customs/VAT debts.	Domestically accountable party required. The EU outlines a "declarant cascade" (IOSS-holder -> Special Arrangements user -> indirect representative -> consumer) as well as guarantee/authorisation requirements for repeat declarations
Anti-abuse operations	Likely to become clear when final legislation is published.	The EU have introduced an anti-abuse clause that allows customs authorities to treat consignments as distance sales where they establish a series of successive sales structured to avoid the flat duty.