

Recently one of our members had an online chat with HMRC about Returned Goods Relief. They have kindly shared that chat with us, we have removed our member's name on their request.

**HMRC**

How can I help you with that today?

**SCOTTISH ARTISTS UNION MEMBER**

I am an artist who sent a work of art to the US for an exhibition in a non-profit space. The exhibition has finished, and the work is being returned to me. This is an original piece of art that I have created, and it is my property being returned to

The sender wants to declare an insurance value in case the work is damaged or goes missing in transit, however, I don't want to pay import duty on it, as there has been no transaction that has taken place. The sender has already tried to send it to me, and I received a notice that I had to pay £180 in Import VAT. I can't afford that, so it has been returned to the sender. How should I tell them to fill out their forms to avoid me being held responsible for paying to receive my property back

**HMRC**

What you are talking about is Returned Goods Relief. Which allows you to return goods to the UK without incurring VAT and Duty. The link below goes into detail for you on the conditions for RGR and how it should be claimed.

<https://www.gov.uk/government/publications/notice-236-returned-goods-relief/notice-236-returned-goods-relief>

Can I ask how it's being sent back? I presume it's through a courier company rather than the Postal services.

**SCOTTISH ARTISTS UNION MEMBER**

I think they used the US Postal Service/Parcelforce.

**HMRC**

Ok. If it is coming in through the postal service, then the process is fairly simple. Section 4.4 of the link above discusses how to claim RGR on postal imports, but at its most basic you just need to make sure "RETURNED GOODS" is marked on the parcel (Ideally in the same place as the address and customs labels.

That should allow the parcel to continue through, although you may be asked to complete some paperwork before they can release it.

**SCOTTISH ARTISTS UNION MEMBER**

I'm reading through the page you sent me. I have a question about it: It says that to qualify for the Returned Goods Relief (RGR) I would have to have paid duties and taxes when the goods originally left the UK/EU. As I mentioned, this was sent to the US to be part of an exhibition. There was no payment involved and it was always intended that the work would be shown then returned to (I'm not VAT registered if that's important to this discussion.)

**HMRC**

That's fine. You would have paid VAT on the various elements of the item when you made it. In most cases, all you need to show is that you sent it out and that it's now coming back.

**SCOTTISH ARTISTS UNION MEMBER**

I see that even if the sender marks the item 'RETURNED GOODS', I may still have to provide evidence that I posted the same items out as are being returned to me. Would a receipt from the Post Office/MailBoxes Etc, suffice?

**HMRC**

The more evidence you can provide the better, but proof of the original export will be something I would recommend, yes.

Just get them to mark it as advised and then the postal service should deal with the rest.

**SCOTTISH ARTISTS UNION MEMBER**

Ok, so the more documentation I can provide the better. Preferably something more than a receipt.

**HMRC**

Exactly. More is always better.

**SCOTTISH ARTISTS UNION MEMBER**

And I assume if I send the artwork with a courier/art handler, the procedure is similar?

**HMRC**

More or less. They will be a bit more hands-on with the declaration of the return but will ask you for anything else they require.

**SCOTTISH ARTISTS UNION MEMBER**

Also, I have another question. I occasionally send work outside the UK for exhibitions where the work MAY sell. Often it doesn't and the work is returned to me. Does the procedure differ in this case?

**HMRC**

No difference. It would still fall under RGR in most cases.

**SCOTTISH ARTISTS UNION MEMBER**

So, to sum up, the sender can still declare the full value of the work for insurance purposes, but as long as they write "RETURNED GOODS" on the parcel (close to the delivery address) it should pass through fine. If there are any questions, I should ensure I can provide some sort of evidence that the goods being returned are the same as the goods that were posted.

**HMRC**

Spot on. That's correct.

**SCOTTISH ARTISTS UNION MEMBER**

Brilliant. Thank you, HMRC. You've been very helpful.