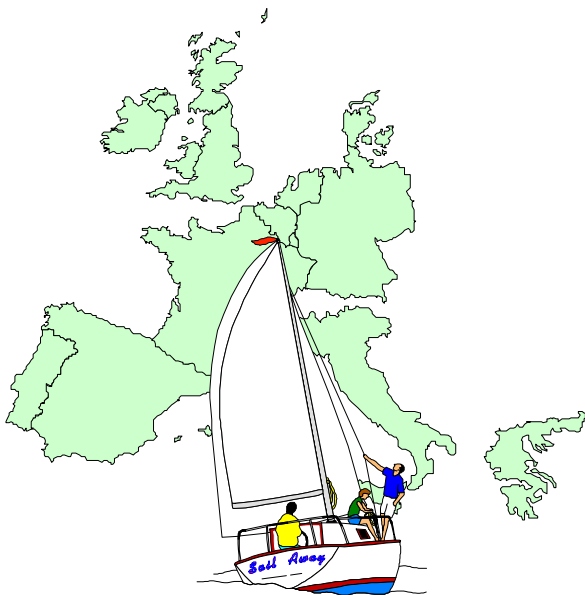


Isle of Man Guide for Yachts



*This leaflet is for Manx yachtsmen
who have concerns about VAT and
their vessels when cruising in the
EU, or when returning from outside
the EU*



Isle of Man Customs & Excise
A Division of the Isle of Man Treasury

JULY 1999

Vessels Purchased / Acquired Within The EU

EU residents should only use a boat in the EU if it is VAT paid, or *deemed to be* VAT paid. Documentary evidence supporting this should be carried at all times.

For example:

- Original invoice or receipt;
- Registration Document;
- Bill of Sale (between two private individuals within the EU).

If the vessel was in use as a private pleasure craft before *1/1/85* AND was in the EU on 31/12/92, it may be *deemed to be* VAT paid under an age-related relief.

Documentary evidence to support this could be:

For Age:

Marine Survey
Part 1 Registration
Insurance Documents
Builders' Certificate

For Location at 31/12/92:

Receipt for mooring
Receipt for Harbour Dues
Dry dock records

As Austria, Finland and Sweden joined the Single Market two years later, the relevant dates will be:

In use before 1/1/87 and moored in EU on 31/12/94.

Other documents which could demonstrate VAT status could be:

- A Customs receipt for charges paid;
- Evidence that Transfer of Residence relief (TOR) has been granted (subject to the one year restriction on disposal).

Self-Built Vessels

We may be able to issue a Tax Opinion Letter on receipt of copies of the main paid invoices for materials used on the main construction, i.e.

- Hull
- Mast
- Engine
- Sails etc.

together with a copy of registration so that we may properly identify the vessel.

Please contact the Isle of Man Customs and Excise Advice Centre (details below).

Vessels Purchased / Acquired Outside The EU

ANY yacht purchased outside the EU will be liable for VAT, regardless of age or previous tax history. There may also be Import Duty unless the vessel is more than 12m length overall, or built in the EU. Charges become due at the first port of call within the EU. (See Public Notice No. 3).

Buying A New Vessel In One Member State Of The EU To Take To Another

Yachts purchased NEW within the EU pay VAT in the country of destination. For example, if you buy a new yacht in France, you should send appendix D of Public Notice No.728 to the Isle of Man Customs and Excise Advice Centre (details below) within seven days of arrival in the United Kingdom/Isle of Man.

Buying A Vessel In the Isle of Man For Export From The EU

You can purchase a vessel tax free if you intend to export it, under its own power to a destination outside the EU. Full details can be found in VAT leaflet 703/3/98

Voyages Outside The EU

Part 1 of form C133 1 should be lodged with Customs prior to departure if you are going directly to a country outside the EU, i.e. Channel Islands, Malta, Gibraltar etc. On return to the United Kingdom/Isle of Man you should report your arrival as per Public Notice No.8 page 6.

For further information contact

**Isle of Man Customs & Excise,
Advice Centre,
P.O. Box 6, Custom House,
North Quay, Douglas,
Isle of Man.
1M99 1AG**

Tel: (01624) 648130

Isle of Man Customs & Excise

Contact numbers:

Normal hours: 01624 648100
Out of hours: 07624 493097/99
Fax: 01624 648117
email: customs@gov.im
www.gov.im/treasury/customs.html

HELP PROTECT SOCIETY AGAINST DRUG SMUGGLING

If you see anything suspicious which could be related to drug
smuggling-

DON'T IGNORE IT - REPORT IT

If you know, or just suspect somebody of involvement in
drug smuggling-

DON'T IGNORE IT - REPORT IT

All information will be treated
IN CONFIDENCE, so call the

24 HOUR ACTION LINE

You do not need to give your name. Just phone the freephone

CUSTOMS CONFIDENTIAL
0800 59 5000