EXPLANATORY MEMORANDUM TO

THE CUSTOMS TARIFF (SUSPENSION OF IMPORT DUTY RATES) (AMENDMENT) REGULATIONS 2026

2026 No. 801

1. Introduction

1.1 This Explanatory Memorandum has been prepared by HM Treasury and the Department for Business and Trade and is laid before the House of Commons by Command of His Majesty.

2. Declaration

2.1 Dan Tomlinson MP, Exchequer Secretary to the Treasury confirms that this Explanatory Memorandum meets the required standard.

2.2 Catherine Stewart, Deputy Director for Trade Policy at HM Treasury, confirms that this Explanatory Memorandum meets the required standard.

2.3 Sir Chris Bryant MP, Minister of State for Trade, confirms that the Explanatory Memorandum meets the required standard.

2.4 Benedict Collins, Deputy Director for Tariffs and Imports Policy and Systems at the Department for Business and Trade, confirms that this Explanatory Memorandum meets the required standard.

3. Contact

3.1 Eva Agerbæk at HM Treasury can be contacted by email at the following address with any queries regarding the instrument: eva.agerbaek@hmtreasury.gov.uk.

3.2 Ria Carter at the Department for Business and Trade can be contacted by email at the following address with any queries regarding the tariff amendments set out in the instrument: tariff.implementation@businessandtrade.gov.uk. Alternatively, the department can be contacted by telephone: +44 (0) 20 4551 0011.

Part One: Explanation, and context, of the Instrument

4. Overview of the Instrument

What does the legislation do?

4.1 This instrument makes amendments to subordinate legislation previously made under the Taxation (Cross-border Trade) Act 2018 ("TCTA"), which provided for the United Kingdom's Customs, Value Added Tax ("VAT") and Excise regimes to be in place after the end of the Transition Period following the withdrawal of the United Kingdom ("UK") from the European Union ("EU").

4.2 This instrument updates the reference document relating to tariff suspensions, as well as amends the Customs Tariff (Suspension of Import Duty Rates) (EU Exit) Regulations 2020 (S.I. 2020/1435) ("the Suspensions Regulations") to allow a broader range of conditions to be placed on suspensions and to give legal effect to the amended reference document.

Where does the legislation extend to, and apply?

4.3 The extent of this instrument (that is, the jurisdictions which the instrument forms part of the law of) is England and Wales, Scotland, and Northern Ireland.

4.4 The territorial application of this instrument (that is, where the instrument produces a practical effect) is England and Wales, Scotland, and Northern Ireland.

5. Policy Context

What is being done and why?

5.1 This instrument contains policy and technical updates to tariff legislation.

5.2 This instrument updates the "Tariff Suspension Document" in order to:

a) implement 72 tariff suspensions applied for by stakeholders as part of the 2025-2026 application window of the business suspensions programme, which ran from 26 November 2025 to 4 February 2026. The programme supports UK and Crown Dependency businesses by reducing import costs to help increase overall competitiveness and boost productivity. As a result of this process, suspensions will be implemented on a range of goods such as food and drink, chemicals, metals, glass fibre fabrics, and automotive parts. The suspensions on these goods will be in place until 31 December 2028.

b) apply a condition to the suspensions which excludes goods originating from Russia and Belarus from benefitting from the suspensions introduced through this package.

c) enact routine technical and descriptive commodity code updates and correct minor errors to ensure the Tariff Suspension Document's clarity, accuracy and effective functioning.

5.3 This instrument also amends regulation 3 of the Suspensions Regulations to remove the restriction that only conditions as to the use of the goods may be applied to a suspension in the column of the Tariff Suspension Document headed "Notes".

What was the previous policy, how is this different?

5.4 Sections 5.1-5.2 above set out the previous policy and the changes being made.

6. Legislative and Legal Context

How has the law changed?

6.1 Section 12 of the TCTA gives HM Treasury the power to make regulations that, for a specified period, make provision for the rate of import duty applicable to specified goods to be lower than the applicable rate in the customs tariff in its standard form. In considering what provision to include in regulations made under section 12 of the TCTA, HM Treasury must have regard to recommendations made to them by the Secretary of State for Business and Trade in accordance with section 12(5) of the TCTA.

6.2 In accordance with regulation 9 of the Suspensions Regulations, the Secretary of State is required to make a recommendation to HM Treasury regarding the applications received. The Secretary of State for Business and Trade has made a recommendation in relation to applications received as part of the 2025-2026 application window, following which HM Treasury are implementing 72 tariff suspensions as part of this instrument.

General considerations

6.3 In considering making the changes in this instrument, as set out in paragraphs 5.1-5.3 and 6.1-6.2, and in making the relevant recommendations referred to in those paragraphs, HM Treasury and the Secretary of State have had regard to the matters set out in section 28 of the TCTA.

Why was this approach taken to change the law?

6.4 The TCTA gives primary powers for the UK to create its own customs regime, including a system of import duty rates, allowing import duty to be applied to chargeable goods entering the UK.

6.5 The details of the UK's customs regime are set out in certain reference documents. In order for changes to these reference documents to come into force, it is necessary for regulations to be made. This instrument gives effect to the changes to the Tariff Suspension Document. As these changes do not increase the rates of import duty applied in the standard case, the negative procedure is adopted pursuant to section 32 of the TCTA.

7. Consultation

Summary of consultation outcome and methodology

7.1 As part of the 2025-26 application window for new suspensions, the government ran a four-week objections window from 27 March to 24 April 2026, which invited the wider public to submit any objections they might have on the proposed new suspensions under consideration. No objections were submitted.

8. Applicable Guidance

8.1 Since the end of the Transition Period, the UK General Tariff has applied to all goods imported into the UK unless an exception applies, such as a tariff relief or tariff suspension, goods imported from countries that have tariff-free access granted unilaterally, or as part of a PTA. Further guidance is available at https://www.gov.uk/guidance/finding-commodity-codes-for-imports-or-exports.

Part Two: Impact and the Better Regulation Framework

9. Impact Assessment

9.1 A full Impact Assessment has not been prepared for this instrument because it maintains the position of existing legislation, which was covered by an overarching Tax Information and Impact Note: https://www.gov.uk/government/publications/the-uks-integrated-tariff-schedule/the-uks-integrated-tariff-schedule.

Impact on businesses, charities and voluntary bodies

9.2 There is no, or no significant, impact on business, charities or voluntary bodies.

9.3 The legislation does not impact small or micro businesses.

9.4 There is no, or no significant, impact on the public sector.

10. Monitoring and review

What is the approach to monitoring and reviewing this legislation?

10.1 The approach to monitoring this legislation is in line with the general approach to tariff legislation, which is kept under review to ensure that it meets the policy objectives set out above in section 5 of this Explanatory Memorandum and ensure burdens on business are carefully monitored.

10.2 The instrument does not include a statutory review clause as the content relates to a tax or duty and therefore meets the requirements of the Small Business, Enterprise and Employment Act 2015.

Part Three: Statements and Matters of Particular Interest to Parliament

11. Matters of special interest to Parliament

11.1 None.

12. European Convention on Human Rights

12.1 As the instrument is subject to negative resolution procedure and does not amend primary legislation, no statement is required.

13. The Relevant European Union Acts

13.1 This instrument is not made under the European Union (Withdrawal) Act 2018, the European Union (Future Relationship) Act 2020 or the Retained EU Law (Revocation and Reform) Act 2023. It does, however, relate to the withdrawal of the UK from the EU because withdrawal required the UK to replace the EU's customs regime with a UK-specific customs regime.