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Central Policy - Freedom of Information
04/52
100 Parliament Street
London SW1A 2BQ

Mr Max Jepcott

By email to
request-270xxxxxxxxxxx@xxxxxxxxxxxxxxxxxxx

Tel

Fax 020 7147 0666

Email

Date 12 February 2010
Our Ref FOI 1050/10
Your Ref

www.hmrc.gov.uk

Freedom of Information Act 2000

Dear Mr Jepcott

Thank you for your e-mail dated 16th January 2010. You have requested information relating to the import of gold and silver bullion to the UK. Specifically you have asked:

1. Your website says any information regarding the importation of Kruggerands, or gold and silver bullion (IHTM21024 - Types of asset: Kruggerands, gold and silver bullion) has been withheld because of exemptions in the Freedom of Information Act 2000.

Why?

2. Does HM Revenue and Customs levy charges on the individual bringing into the UK their own personal collection of coins and bullion, namely:

Bullion coins (both silver and gold), produced by foreign Government mints, which have a face value in the currency of the country they were minted in.

Bullion, in the form of small minted bars, produced by private mints.

If the answer to these questions is yes, what are the charges?

Information is available in large print, audio tape and Braille formats.
Type Talk service prefix number – 18001



INVESTOR IN PEOPLE



1. Dealing with your first question, I am treating this as a request for the information contained in our guidance under reference IHTM21024. It may help if I point out that the guidance you have referred to is not concerned with the importation of these goods. The guidance is part of HMRC's Inheritance Tax Manual and relates to the valuation of personal assets for Inheritance tax purposes. This information is being withheld under section 31(1)(d) of the Freedom of Information Act 2000.

Section 31(1) (d) allows public authorities to withhold information if its disclosure would or would be likely to prejudice the assessment or collection of tax.

I believe that disclosure would be likely to undermine the compliance activity which HMRC undertakes with regard to the assessment and collection of Inheritance Tax. I have reached this conclusion as we believe that the requested information could be used by opportunistic individuals to fraudulently evade liability in an attempt to pay less tax. Furthermore, if we put information about our compliance regime and risks in the public domain it would allow those individuals intent on abusing the system to arrange their affairs or rehearse arguments to make it less likely that they would be detected. For these reasons I conclude there is a real and probable risk to our ability to assess and collect tax and the exemption applies.

Section 31 is a qualified exemption which means that, if it applies, I must consider whether it is in the public interest to override the exemption and release the information. I have very carefully considered this but have decided that on balance it is not in the public interest to release this information. In coming to this conclusion, I have considered a number of factors.

I accept that there is strong public interest in ensuring that HMRC is accountable for its decisions and is as transparent as possible about the ways in which it reaches them. Publishing the information requested would, on the face of it reassure the public, that our compliance activities are fair and robust and applied equitably. This would increase the public's confidence in the tax system. There is also a general public interest in the public being aware of and being able to challenge our decisions; knowledge of our procedures would assist this. But I also take into account that HMRC is subject to review by external bodies such as the National Audit Office, the Adjudicators Office and on an individual level the Appeal Commissioners so the public interest in our accountability is met by the oversight of those bodies.

But there is also a strong public interest in HMRC being able to enforce the law properly so that the tax burden is shared equally. Anything that might assist those intent on avoiding tax is not in the public interest. Evasion and avoidance unfairly shifts the tax burden onto honest taxpayers and that is not in the public interest.

Anything that puts at risk our compliance activities could undermine public confidence in the tax system. This could damage the general climate of honesty among the overwhelming majority of taxpayers who use the system properly and that is not in the public interest.

So on balance I conclude it is not in the public interest to set aside the exemption.

2. Turning to the second part of your request, I can advise you that the UK Trade Tariff enables you to find the commodity code to classify goods for import and export. The commodity codes can then be used to find import duties, taxes, reliefs etc in respect of particular goods.

Below is the information relating to the specific goods you have asked about, together with the commodity codes for these items.

Silver coins (not legal tender)

7118101000 duty rate 0% VAT 17.5%

Gold coins (not legal tender)

7118900010 duty rate 0% VAT Exempt or 17.5%

Silver & Gold coins (legal tender)

7118900090 duty rate 0% VAT Exempt or 17.5%

Gold Bullion (Non-monetary)

7108131000 duty rate 0% VAT 17.5%

Gold Bullion (Monetary)

7108200000 duty rate 0% VAT 17.5%

I have provided a link to the online version of the UK Trade Tariff here:

<http://online.businesslink.gov.uk/bdotg/action/tariff?r.s=tl&r.l1=1079717544&r.lc=en&r.l2=1079841842>

You have asked about charges in relation to goods brought into the UK as part of a personal collection. VAT relief may be applicable, dependent on the particular circumstances. You can contact HMRC's National Advice Service Enquiry Line to get advice on what charges might be levied in your particular circumstances. The Telephone number is 0845 010 9000 and the service is open from 8.00 am to 8.00 pm Monday to Friday.

If you are not happy with this reply you may request a review by writing to HMRC FOI Team, Room 4/52, 100 Parliament Street London SW1A 2BQ or by e-mail to xxx.xxxxxx@xxxx.xxx.xx. You must request a review within 2 months of the date of this letter. It would assist our review if you set out which aspects of the reply concern you and why you are dissatisfied.

If you are not content with the outcome of an internal review, you may apply directly to the Information Commissioner for a decision. The Information Commissioner will not usually consider a case unless you have exhausted the internal review procedure provided by HMRC. He can be contacted at The Information Commissioner's Office, Wycliffe House, Water Lane, Wilmslow, Cheshire SK9 5AF.

Yours sincerely

Teresa Chance