Import taxes explained

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I did post this a while ago on the French site when I was asked to compare my prices to the ones if you import directly. The exact amount you save will differ from country to country and on what you order. But this might help to calculate it yourself.

Import taxes explained

If you import to Europe you have three possible additional charges

1) VAT - value added Tax (in French this is TVA, in Germany it's called Mehrwertsteuer). You will have to pay this if the value of your items is above 22 Euro (18 pounds for UK, 6000 HUF for Hungary).
2) You might have to pay Duty. Duty differs from country to country and can sometimes be avoided using the right declaration. For example Palor Games have 0% duty for Germany. Duty is charged if the value is above 150 Euro (135 pounds)
3) Charges - most courier companies have a fixed price for a shipment. This is added once per shipment or box. In the UK this is 13.50 pounds, France is 25 Euro.

It is also important to note that you pay the Tax on the items AND the postage.

Are there ways to avoid these costs when importing from the US?

No legal ones. Even the often heard advice to declare something as 'gift' is not avoiding the tax. It only increases the limit to 45 Euro and makes the first 45 Euro tax free. And it would make the person sending and declaring the goods win this way break the laws. Police probably won't go after old Auntie who sends a Christmas present to Europe for her nephew, but a company will be in trouble.

I sometimes hear stories that you 'might get lucky' and customs didn't charge your package. I can't tell how often this happens and it might be different from country to country. But expect that your luck will run out sooner or later with countries in the EU needing money. In the UK I never was lucky. This is probably zero times lucky out of 10 shipments.

Vat rates are:
Denmark, Sweden, Hungary, Denmark 25%
Romania 24%
Finland, Greece, Portugal, Poland 23%
Ireland, Belgium, Lithuania, Latvia 21%,
UK, Austria,Chech, Bulgaria, Slovakia, Slovenia, Estonia 20%
France 19.6%
Germany, Netherlands 19%
Spain, Malta 18%
Luxembourg, Cyprus 15%

So do I save VAT if I order in Europe?

The answer is no. VAT is already included in the price - so instead of you paying it when it hits the border Thod's Bazaar will pay it when you buy. And it will always be the 20% UK rate. So in some countries you might be unfortunate and pay a little bit more, in some you will save a little bit. I'm currently in the process to register my company for VAT and you should then be able to see the exact amount for goods and taxes. Until then there will be a combined price.

But it is important to understand this if you compare prices. A 100 dollar set will appear as 100 dollar when bought in the US and you pay approx. 20 dollar on tax (depending on your country). In my shop it will appear as 120 dollar and no extra tax charges later.

So what do you save?

You don't pay any duties inside Europe and also no charges from the shipping company. These can add a lot to small shipments.
For large shipments it can vary. At least in the UK I have seen a large shipment of 5 sets to me being split in two boxes that got seperated during shipment and I had to pay the 13.50 pounds charge twice.
I know of similar charges for the Netherlands and France.

Shipping is cheaper. Especially for very small (only an accessory set) or large (multiple sets) boxes.
Please also take into account that VAT is also paid on shipping. So 60 dollar shipping means that you later pay 9-15 dollar VAT extra depending on country. If you pay 30 pounds in Thod's Bazaar then this is all you pay.

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