

Why Did the Courier Charge UK VAT You'd Already Postponed?



Yash Khatri

Founder, SourcingFrom

Updated 18 Oct 2026 7 min read

Postponed VAT accounting is not a setting on your VAT account. It is a choice made on each import declaration, and on a courier parcel the courier files that declaration. If it does not have your written instruction, EORI and VAT number before it declares, it pays the import VAT itself and bills you, often with a fee. HMRC says the choice cannot be changed once the declaration is submitted, so fix it before the next parcel leaves India.

The Short Version

- PVA needs no approval, but it has to be selected on each import declaration, with your VAT number on it.
- HMRC says whoever imports on your behalf, including an express operator, must have your written instruction before declaring.
- If your Indian supplier books the courier, you must agree PVA with the supplier and give it your EORI.
- Once a declaration is submitted, the VAT method cannot be changed.
- VAT already paid is recovered with the import VAT certificate (C79) or statement, not the courier invoice on its own.

Because postponed VAT accounting (PVA) isn't something HMRC switches on for your business. It's a choice made on each import declaration, and on an express parcel from India the courier makes that declaration. If the courier doesn't have your written instruction, your EORI and your VAT number before it files, it pays the import VAT itself and bills you, usually with a handling fee on top.

That's the experience UK buyers describe in our forum research. A seller of India-made apparel wrote that DHL "invoices me for VAT and Customs

charges when the goods land in the UK", and another said "I'm registered for PVA and my EORI is listed on the shipments but I am still having to pay import VAT" (r/smallbusinessuk, 2024 and 2025, Reported). This post explains why that happens, using HMRC's own guidance read at source on 18 October 2026, and how to set up the next shipment so it doesn't. One caveat - every courier runs its customs desk a little differently, so confirm the exact steps with yours.

SourcingFrom Intelligence

powered by [Kirnova](#) - the intelligence company

- 01 **The instruction has to be in writing, before the declaration.** When a forwarder, agent, broker or express operator imports for you, HMRC says "they must have this written confirmation before they can proceed with the import declaration". (*GOV.UK, [check when you can account for import VAT on your VAT Return](#), last updated 16 Jun 2025, read 18 Oct 2026*)
- 02 **It can't be fixed afterwards on the declaration.** "You cannot change how you want to account for import VAT on your import declaration once you've submitted it." (*Same GOV.UK page*)
- 03 **UK buyers on PVA still get VAT on courier invoices for Indian parcels,** and courier admin fees on small parcels can equal or exceed the duty and VAT. (*Our review of importer forum threads, 2023 to 2025*)

What we don't know yet

- ☐ Whether each express courier applies PVA from a standing instruction on your account, or needs it per shipment. It varies, so ask.

1. Isn't PVA Automatic Once I'm VAT-Registered?

No, and this is where most of the confusion starts. HMRC is clear that "you do not need any approval to account for import VAT on your VAT Return", so

there's nothing to apply for. But that doesn't make it a default. PVA is selected on the import declaration, and the declaration has to carry your VAT registration number at header level (Data Element 3/40), according to the same GOV.UK guidance.

So being "registered for PVA" really means being VAT-registered and therefore allowed to use it. Whether a given parcel uses it is decided by whoever completes that parcel's declaration. If they leave the box unticked, or don't have your VAT number, the VAT is paid at the border in the normal way.

There are two more conditions worth knowing. The goods must be for use in your business, with you as the owner or with the right to dispose of them, and HMRC says goods arriving by Royal Mail or Parcelforce post (where Parcelforce isn't acting as an express operator) in consignments over £135 can't use PVA at all. Consignments of £135 or less follow different VAT rules, where the seller charges VAT at the point of sale, which are explained on [low-value imports](#).

2. Why Does the Courier Ignore It?

Usually because, from the courier's side, nobody told it in the way HMRC requires.

GOV.UK names an express operator as one of the people who can import goods on your behalf, alongside forwarders, agents and brokers. In that case "you'll need to tell them, in writing, if you want to use postponed VAT accounting", and they need it before they declare. An EORI printed on the airway bill isn't the same thing as a written instruction to the courier's customs team, which is probably why the second forum seller above still paid.

There's a second trap that's common on India orders. Many Indian suppliers ship on their own courier accounts, because their volume gets them better rates. Then the courier's customer is the supplier, not you. HMRC covers exactly this case. When a supplier arranges for someone to import and deliver the goods, "you must agree with the supplier how you want to account for import VAT", so the supplier can give the courier written instructions, and "you'll also need to give the supplier your EORI number". If your Indian supplier has never heard the words postponed VAT accounting, the courier never got the message.

Courier customs desks are also built for speed. On a parcel with no instruction, the quickest way to release it is to pay the VAT from the courier's own account and bill you. That's convenient for the courier and costly in cash flow for you.

3. Can You Recover VAT the Courier Already Billed?

Usually yes, but not with the courier's invoice on its own. HMRC's current guidance says that when you pay import VAT at importation rather than postponing it, you can reclaim it as input tax under the normal rules, and "to claim input tax you will need the import VAT statement as evidence" ([GOV.UK, paying VAT on imports](#), read 18 Oct 2026, Verified). For VAT paid through a deferment account, that evidence is the import VAT certificate, the C79, which you download from the Customs Declaration Service ([GOV.UK, C79](#)).

In practice, check your C79s for the month of the import. If the courier's declaration carried your EORI and VAT details, the VAT should appear there and you claim it on your return. If it isn't there, the invoice from the courier isn't the evidence HMRC names, and you'll need to take it up with the courier and your accountant. One forum reply said VAT on a courier invoice "can rarely be recovered as import VAT", which overstates it. The real point is that

recovery depends on the import showing up against your details. Check this with your accountant before you write it off.

What you can't get back is the courier's handling or disbursement fee for paying the VAT. That's a charge for a service, not tax.

4. How Do You Set Up the Next Shipment So PVA Applies?

Do it before the parcel leaves India, because afterwards is too late for that declaration.

1. **Write to the courier's UK customs or import team.** Say you want postponed VAT accounting on all imports to your business, give your EORI and VAT number, and ask how they record a standing instruction. Keep their reply. HMRC says to keep a written record of your instructions.
2. **If the supplier ships on its account, agree it with the supplier.** Ask it to pass your written PVA instruction to the courier with each booking, and to show your business as consignee with your EORI on the commercial invoice.
3. **Better still, ship on your own courier account.** Then you're the courier's customer and its importer of record questions come to you. The trade-off, and why the supplier's cheaper rate has hidden costs, is on low-value imports and who is the importer of record.
4. **Check every month.** Postponed import VAT statements are usually available by the 10th working day of the month, and you can only access each one for 6 months from publication, so download and keep them ([GOV.UK, postponed import VAT statement](#), read 18 Oct 2026). If an India parcel isn't on the statement, chase it then, not at year end.

If you're moving enough goods that this becomes a weekly chore, a forwarder or customs agent working on your instructions is usually easier to

control than a courier desk. [SourcingSync](#) can set up the shipping from India in your name, with the instructions in place before the first box moves.

5. Why Does the Handling Fee Hurt More on Small India Parcels?

Because it's mostly fixed. UK buyers in our research describe a courier admin fee "for the privilege" of having the VAT paid for them on small parcels, and in a similar UAE thread a buyer found much of the bill was "admin and physical intervention fees" (r/smallbusinessuk, 2023, and r/dubai, 2025, Reported). On a parcel of samples or a small restock, the fee can be as large as the VAT and duty together.

PVA removes the VAT from that bill, but it doesn't automatically remove every courier charge. Ask the courier what it still charges on a PVA import before you assume the problem is solved. The duty side of the bill, including zero duty under the UK and India trade agreement with proof of origin, is on [importing from India to the UK](#).

Questions Buyers Ask

Do I need HMRC approval to use postponed VAT accounting? ^

No. You need to be VAT-registered, and PVA has to be selected on each import declaration with your VAT number.

Why did DHL or another courier charge me VAT when I'm on PVA? v

Can the courier change the declaration to PVA afterwards? v

Can I reclaim VAT shown on a courier invoice? v

Does PVA work for Royal Mail parcels?

