

# CURRENT CRUISING CONDITIONS



With the Covid-19 situation changing rapidly and countries around the world reacting according to their own circumstances, the Cruising Association's Regulations and Technical Services group (RATS) has come up with two initiatives to help boaters cruise safely in the coming weeks and months.

Status by Country		
Albania	Ireland	Poland
Algeria	Isle of Man	Portugal, Azores, Madeira
Belgium	Israel	Russia
Croatia	Italy	Slovenia
Cyprus	Jersey	Spain, Canary Islands
Denmark, Faroe Islands	Latvia	Sweden
Egypt	Lebanon	Syria
Estonia	Libya	Tunisia
Finland	Lithuania	Turkey
France	Malta	UK - England
Germany	Monaco	UK - Northern Ireland
Gibraltar	Montenegro	UK - Scotland
Greece	Morocco	UK - Wales
Guernsey	Netherlands	Rest of the World
Iceland	Norway	

*Search for cruising up-dates by country*

In early March 2020 most of us were readying ourselves for our summer cruise from the UK or elsewhere. By the middle of the month people were being urged by the government to work from home and on 23 March the lockdown was ordered. Similar measures were taken in nearly all the countries where we sail.

The Covid-19 crisis is, for many of us, a tragedy without precedent in our lifetimes. While aware of this, the Cruising Association's Regulations and Technical Services group (RATS) has been busy with two initiatives.

A series of postings on the CA's Blue Water Net from members in the Caribbean, concerned about their ability to stay there and to survive the hurricane season, gave rise to a request from the

CA President, Julian Dussek, to intervene. The CA contacted the members and the relevant Honorary Local Representatives and were able to provide advice and a friendly voice. To date a number of members have been supported in this way using this dedicated email: [strandedmembers@theca.org.uk](mailto:strandedmembers@theca.org.uk).

Early on the CA explained the lockdown conditions prevailing in the UK and the stranded members realised that, by comparison, their situation was perhaps not so bad.

RATS has also issued advice to members on what to consider in deciding whether and where to cruise. That advice (amended to take account of changes in the insurance market) is now as follows:

- The availability of medical care in your destination countries; insurance will not help you

- if the local healthcare services are overwhelmed;
- Restrictions on cross-border travel may restrict access to boats abroad and, once on board, limit cruising grounds;
- The extent and limitations on your travel and medical insurance; it is almost certainly too late to obtain travel or medical insurance that will provide cover against Covid-19;
- How you will deal with you or your crew becoming ill;
- How you will get yourself and/or your crew home if in trouble (EHIC will not cover this);
- What will you do if the local government asks you to leave at short notice;
- The risk that, while on passage, further restrictions are introduced in your intended boating destination.

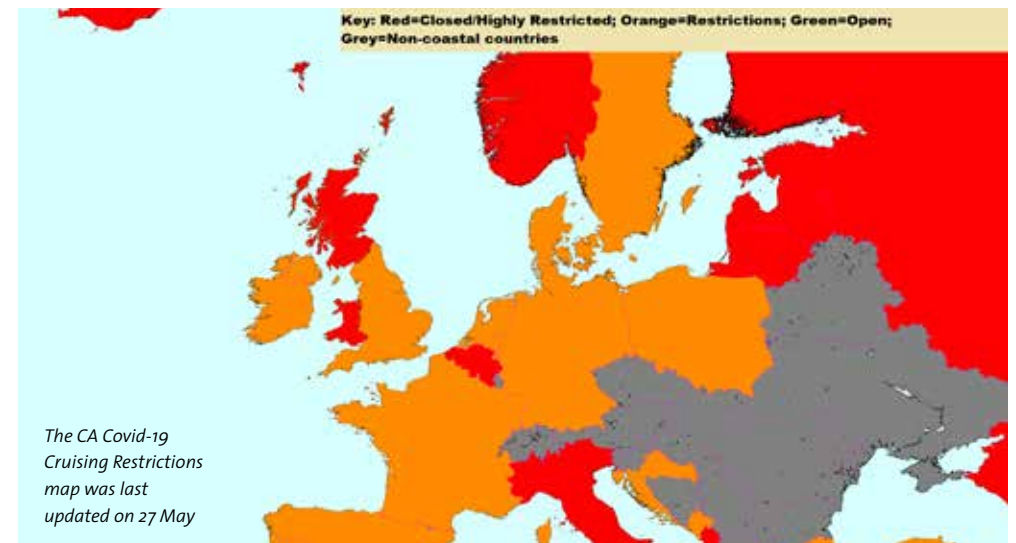
It also became clear that the situation is likely to change as individual countries adjust their lockdown regimes to match their circumstances as the pandemic surges and recedes locally. Accordingly, the CA has created a webpage giving details of current restrictions in Europe and the Mediterranean: [www.theca.org.uk/public/covid\\_19\\_cruising\\_restrictions](http://www.theca.org.uk/public/covid_19_cruising_restrictions). Information is provided by HLRs, the CA Sections, CA members, other boating organisations (including the RCC, Trans-Ocean and Noonsite) and the public. The CA webpage is updated weekly.

On the basis that, in time of crisis we should all help one another, the webpage is available to the public.

Readers who have information about Covid-19 related restrictions on cruising are asked to share this by emailing details to: [covid-19@theca.org.uk](mailto:covid-19@theca.org.uk).

**The Cruising Association is a not-for-profit association that is 100 per cent dedicated to those who cruise on small boats - whether sail or motor - and its extraordinary mass of first-hand information, collected and shared by its members, is of unequalled quality, quantity, breadth and relevance. You can find out more about joining the Cruising Association by visiting: [www.theca.org.uk/join](http://www.theca.org.uk/join)**

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## READER LETTER VAT & BREXIT UPDATE

*THE Cruising Association responded:* The reader is lucky as she still has the original invoice for her yacht, over 40 years later. She should be careful with the invoice as it is the best way of demonstrating that VAT was paid on the yacht. Back in 1978 the VAT rate was only eight per cent (those were the days!) but as long as VAT was paid at the then-applicable rate, the payment is sufficient for the boat to be regarded as VAT-paid.

It is often thought that the T2L certificate issued by HMRC is needed to demonstrate payment of VAT but this is not the case. The T2L certificate is not a formal guarantee of

**In the May edition of All at Sea The Cruising Association reviewed the issues associated with the VAT-status of yachts as a result of Brexit. This raised a question from an All At Sea reader who owns a yacht built in 1978 and her question relates to what evidence she needs to have to be able show that VAT was paid on her yacht.**

VAT payment, but there have been instances in some countries, particularly Portugal, where T2L certificates have been requested to demonstrate VAT payment, so if you have a T2L certificate it makes sense to look after it carefully.

Whilst the UK was in the EU, the payment of VAT meant that the yacht obtained 'Union-status' and the yacht could be moved to and based in any country within the EU without further VAT becoming payable.

In The Cruising Association article we commented that the EU has decided that all yachts that are located in the UK upon the departure of the UK from the EU (which for these purposes means at the end of the Transition Period) will lose Union status. This means that if these yachts are kept in the EU in the future - other than for a temporary period of up to 18 months - EU VAT will need to be paid once more.

From the end of the Transition Period purchasers of new yachts will need to think carefully about

where they want to keep their yachts in the UK or the EU in the longer term. If they want to permanently base their yachts in the UK then it will make sense to buy the yacht in the UK and pay UK VAT. They can then rely on the EU's temporary import rules to make cruises in the EU of up to 18 months without becoming liable to pay EU VAT.

If the warmer waters and continental lifestyle are appealing so that they want to locate their new yacht in the EU on a long-term or permanent basis, then buying the yacht in the EU and paying EU VAT may well make sense, particularly if it is the type of yacht that is more likely to be bought by an EU-based purchaser when the time comes to sell.

Purchasers of second-hand yachts after the end of the Transition Period also need to think carefully about VAT status. In general, the VAT-status is not impacted by a sale of the yacht except that if a yacht with EU VAT-paid status (Union status) is sold outside the EU it loses its EU VAT-paid status.

From the end of the Transition Period the UK will



count as being outside the EU. This means that purchasers of second-hand yachts will need to think carefully about the location of the purchase in order that any EU VAT-paid status is not lost. A purchase of an EU VAT-paid yacht in the UK would result in the EU VAT-paid status being lost. If this is important, a trip to an EU country in which to make the sale would make sense in order to retain EU VAT-paid status.