

EU €3 Customs Duty from 1 July 2026

Updated Shopify merchant guidance

What it means for your Shopify store, your delivery setup and your customer communication

Critical update

If you use IOSS, VAT is not charged on the €3 duty. This saves around €0.60 per product line compared with the earlier expected calculation. For non-IOSS deliveries, VAT is still charged on the €3 duty, meaning around €0.60 additional VAT per product line.

EAS recommendation

EAS recommends using courier deliveries to the EU where possible. Couriers such as DPD and DHL are expected to support the €3 duty across the whole EU. Postal channels only support selected countries. In postal countries that are not supported, the consumer pays the €3 duty on delivery unless another delivery method is used.

1. The short version

From 1 July 2026, low-value B2C goods imported into the EU may be subject to a €3 customs duty per separate product line. This duty is separate from IOSS VAT.

If you use EAS for IOSS, VAT collection and IOSS reporting continue as normal. The €3 duty is handled through your courier, carrier, postal operator or delivery solution. It is not remitted through IOSS.

The important update is that IOSS orders are not charged VAT on the €3 duty. This means Shopify merchants using IOSS do not need to add an extra VAT-on-duty amount to their Shopify estimate.

2. Who should read this

- You sell B2C goods to EU consumers through Shopify.
- You ship goods from outside the EU into the EU.
- Your EU consignments are normally €150 or less.
- You use, or plan to use, IOSS for VAT collection at checkout.

This guide does not cover consignments above €150, B2B imports, or goods already in free circulation in the EU.

3. How the €3 duty works

The duty is expected to apply per separate product line, not simply per parcel and not simply per individual item quantity.

Example order	Estimated €3 duty logic
3 pieces of the same T-shirt	One product line, estimate €3
1 T-shirt and 1 watch	Two product lines, estimate €6
3 different product types	Three product lines, estimate €9
Average EU order has 1.5 product lines	Estimate €4.50 per average EU order

Important

The exact operational calculation depends on customs data, HS or CN classification, and how your logistics provider presents the shipment for customs clearance. Your logistics provider is the most reliable source for how this will be applied to your shipments.

4. IOSS VAT and the €3 duty

IOSS covers import VAT for eligible low-value B2C consignments. It does not cover customs duty.

If you use EAS for IOSS, EAS continues handling IOSS VAT reporting and remittance. The €3 duty itself is collected or settled through your delivery provider, not through EAS IOSS.

Important VAT update

For IOSS orders, VAT is not charged on the €3 duty. This saves around €0.60 per product line compared with the earlier expected calculation. For example, one product line saves around €0.60, two product lines save around €1.20, and three product lines save around €1.80.

For non-IOSS deliveries, VAT is still charged on the €3 duty. This means non-IOSS deliveries have around €0.60 additional VAT per product line, depending on the VAT rate in the destination country.

If an order is returned, EAS can continue to handle VAT refund logic where applicable. The €3 duty itself may not be refundable through the IOSS process.

5. Choose your delivery route

The most important practical question is simple: how will the €3 duty be handled for the customer?

Option	Best for	Main action
Courier delivery, recommended by EAS	You use a courier, carrier or delivery provider that can handle the €3 duty and invoice you.	Confirm full EU coverage, invoicing and any service fee.
Postal	You use postal services, but only selected EU countries are supported for the €3 duty.	Ask your postal operator which countries are supported. For other countries, use courier delivery or customer-paid delivery, or pause sales.
Customer-paid delivery	You cannot arrange a delivery option where the €3 duty is handled before delivery.	Warn customers that the carrier or postal operator will collect the €3 duty before or at delivery.
EAS DDP	You want full EU coverage for the €3 duty through EAS.	Use EAS DDP as the EU-wide solution if you want to avoid relying on postal country coverage.

6. Option 1, courier delivery, recommended by EAS

EAS recommends using courier deliveries for EU shipments where possible.

Couriers such as DPD and DHL are expected to support the €3 duty across the whole EU. This makes courier delivery the clearest option if you want to avoid the customer being asked to pay the duty on delivery.

- Ask your courier or carrier to confirm that they can handle the EU €3 duty from 1 July.
- Confirm whether they invoice the duty to you and whether they add a handling or service fee.
- Confirm that all EU countries you sell to are covered.
- Keep written confirmation before telling customers that the €3 duty is handled.

- Update Shopify prices or shipping rates if you want to recover the expected cost from customers.

7. Option 2, postal

Postal channels can be useful, but they are not the best option if you need reliable full EU coverage from day one.

Postal €3 duty handling covers selected EU countries only. It does not cover the whole EU. For countries not supported by the postal service, the consumer pays the €3 duty on delivery if you use postal.

- Ask your postal operator which EU countries are supported for the €3 duty.
- Create one Shopify shipping zone for postal-supported countries.
- For unsupported countries, use a courier option, EAS DDP where available, customer-paid delivery, or pause the country.
- Do not assume that postal coverage applies to the whole EU.
- Update customer wording clearly if any customer may be charged the €3 duty on delivery.

Why postal may not be the best option

Postal support is country-by-country. If you keep postal delivery open to unsupported countries, the consumer will be asked to pay the €3 duty on delivery. This can lead to complaints, parcel refusals and returns.

8. Option 3, customer-paid delivery

Choose this only if you cannot arrange a delivery option where the €3 duty is handled before delivery.

With customer-paid delivery, VAT is collected at checkout where applicable, but the €3 duty is collected from your customer by the carrier or postal operator before or at delivery.

This route can create customer complaints, refused parcels and returns. If you use this option, customer-facing wording must be very clear.

Suggested customer wording

VAT is collected at checkout where applicable. From 1 July 2026, EU orders may also be subject to a €3 customs duty collected by the delivery carrier before or at delivery.

9. EAS DDP, full EU coverage for the €3 duty

EAS DDP supports all EU countries for the €3 duty.

This means the €3 duty can be handled for the full EU, instead of relying on postal country coverage. If you want to avoid customers being asked to pay the €3 duty on delivery, EAS DDP can be used as the EU-wide solution.

10. Shopify pricing choices

If you pay the duty yourself through your courier, carrier, postal operator or EAS DDP, decide whether to absorb the cost or recover it from your customer through Shopify.

Shopify method	When it works best	What to check
Increase EU shipping rates	Usually the easiest setup.	Average separate product lines per EU order.
Increase individual EU product prices	Useful if free or cheap delivery is important for your marketing.	Average separate product lines, then decide which products or variants to adjust.

Use a percentage price increase	Useful if you prefer a market-wide percentage adjustment.	Average separate product lines and average EU order value.
Do not add it in Shopify	Use this if the customer pays, or if you absorb the cost.	Clear customer wording and cost monitoring.

Do not create a fake VAT rate

The €3 duty is not VAT. Do not create an artificial VAT rate in Shopify to collect it. Use pricing, shipping rates or a confirmed landed-cost solution instead.

11. How to estimate how much to add

Start with your average EU order. Estimate the average number of separate product lines, then multiply by €3.

Formula: average separate product lines per EU order x €3 = estimated duty to cover per average EU order.

- 1.0 average product line x €3 = €3.00 to cover.
- 1.5 average product lines x €3 = €4.50 to cover.
- 2.0 average product lines x €3 = €6.00 to cover.

For IOSS orders, do not add an extra VAT-on-duty amount to this estimate, because VAT is not charged on the €3 duty.

12. How to check average product lines in Shopify

1. Go to Shopify admin, then Orders.
2. Filter orders shipped to EU countries.
3. Export the orders.
4. In the CSV, line items from the same order appear on separate rows.
5. Count the product-line rows for EU orders.
6. Divide the number of product-line rows by the number of EU orders.

Example: if your export shows 150 product-line rows across 100 EU orders, your average is 1.5 separate product lines per EU order. Your estimated duty to cover is 1.5 x €3, or €4.50 per average EU order.

13. If you add the cost to EU shipping

This is usually the simplest Shopify setup. It works well if you do not rely heavily on free or very cheap delivery as a sales tool.

1. Log in to Shopify admin.
2. Go to Settings, then Shipping and delivery.
3. Open the general shipping profile or the relevant custom shipping profile.
4. Find your EU shipping zone.
5. Add a new rate or edit the existing EU rate.
6. Increase the rate by the estimated duty amount per average EU order.
7. Use a clear rate name, such as EU delivery, €3 duty handled.
8. Save the changes and test checkout with EU delivery addresses.

14. If you add the cost to EU product prices

This may be better if free or cheap delivery is part of your marketing. Instead of increasing the delivery price, you include the expected cost in product prices.

1. Check your average separate product lines per EU order.
2. Go to Shopify admin, then Settings, then Markets.
3. Open your EU or Europe market.

4. Go to Products and pricing.
5. Increase fixed EU prices for the products or variants you sell to EU customers.
6. Use your estimated duty per average order to decide which prices should be adjusted.
7. Save the changes and test checkout with EU delivery addresses.

15. Customer communication

Clear customer wording reduces complaints and parcel refusals. Use wording that matches your delivery route.

If the €3 duty is handled before delivery

EU orders are shipped using a delivery service where the €3 duty is handled. VAT is collected at checkout where applicable.

If postal coverage varies by country

For EU orders, the €3 duty is handled where postal support is available. For unsupported countries, the customer pays the €3 duty on delivery unless another delivery option is used.

If the customer may pay the duty

VAT is collected at checkout where applicable. From 1 July 2026, EU orders may also be subject to a €3 customs duty collected by the delivery carrier before or at delivery.

16. Checklist before 1 July

- Use courier delivery where possible if you want the most reliable full EU coverage.
- Ask your carrier or postal operator how they will handle the €3 duty.
- Confirm whether the duty will be invoiced to you or collected from the customer.
- Confirm whether any handling or service fee will apply.
- Confirm which EU countries are covered, especially for postal services.
- Use EAS DDP if you want full EU coverage through EAS.
- Choose your Shopify pricing method: shipping increase, product price increase, percentage increase or no Shopify increase.
- Check your average separate product lines per EU order if you need to recover the duty.
- Update Shopify Markets, shipping zones, prices or delivery wording as needed.
- Test checkout using EU delivery addresses.
- Check product customs data, including product description, HS code, country of origin, product value and weight.

17. Checklist after 1 July

- Review carrier, postal or EAS DDP invoices to confirm the duty is being charged as expected.
- Check whether the duty is charged per product line as expected.
- Track customer complaints, parcel refusals and returns.
- Review whether your pricing or shipping adjustment is covering the expected cost.
- Monitor updates from your postal operator on supported countries.
- Monitor Shopify updates in case native support for the €3 duty becomes available.
- Revisit your setup if Shopify, your carrier, your postal operator or EAS provides updated guidance.

18. EAS role

EAS handles IOSS VAT for eligible orders where you use EAS as your IOSS intermediary. EAS does not collect or remit the €3 customs duty through IOSS.

EAS will continue monitoring the situation and will update customers where Shopify, carriers, postal operators or EU authorities provide relevant operational changes.

19. Practical summary

Topic	Practical point
Duty amount	€3 per separate product line.
IOSS VAT update	For IOSS orders, VAT is not charged on the €3 duty.
Non-IOSS deliveries	VAT is still charged on the €3 duty, around €0.60 additional VAT per product line.
EAS recommendation	Use courier deliveries where possible.
Postal	Postal supports selected countries only. For unsupported countries, the consumer pays the duty on delivery.
EAS DDP	Supports all EU countries for the €3 duty.
Simplest Shopify recovery method	Increase EU shipping rates based on average product lines.
Fallback option	Customer-paid delivery, with clear customer wording.

Document version: updated customer guidance, June 2026.