

Status: This version of this part contains provisions that are prospective.
Changes to legislation: There are currently no known outstanding effects for the Finance Act 2019, Paragraph 1. (See end of Document for details)

SCHEDULES

PROSPECTIVE

SCHEDULE 18

VAT GROUPS: ELIGIBILITY

PART 1

ELIGIBILITY OF INDIVIDUALS AND PARTNERSHIPS

- 1 (1) Section 43A of VATA 1994 (groups: eligibility) is amended as follows.
- (2) In subsection (1), in the opening words—
- (a) for “bodies corporate” substitute “UK bodies corporate”;
 - (b) omit “each is established or has a fixed establishment in the United Kingdom and”.
- (3) Omit subsections (2) and (3).
- (4) At the end insert—
- “(4) An individual carrying on a business and one or more UK bodies corporate are eligible to be treated as members of a group if the individual—
- (a) controls the UK body corporate or all of the UK bodies corporate, and
 - (b) is established, or has a fixed establishment, in the United Kingdom in relation to the business.
- (5) Two or more relevant persons carrying on a business in partnership (“the partnership”) and one or more UK bodies corporate are eligible to be treated as members of a group if the partnership—
- (a) controls the UK body corporate or all of the UK bodies corporate, and
 - (b) is established, or has a fixed establishment, in the United Kingdom in relation to the business.
- (6) In this section—
- (a) “UK body corporate” means a body corporate which is established or has a fixed establishment in the United Kingdom;
 - (b) “relevant person” means an individual, a body corporate or a Scottish partnership.
- (7) Section 43AZA contains provision for determining for the purposes of this section whether a body corporate, individual or partnership controls a UK body corporate.”

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