

Status: Point in time view as at 22/07/2013.

Changes to legislation: There are currently no known outstanding effects for the Value Added Tax Act 1994, Part 2. (See end of Document for details)

SCHEDULES

[^{F1}SCHEDULE 3B

SUPPLY OF ELECTRONIC SERVICES IN MEMBER STATES: SPECIAL ACCOUNTING SCHEME

Textual Amendments

- F1** Sch. 3B inserted (with effect in accordance with s. 23(2) of the amending Act) by [Finance Act 2003 \(c. 14\)](#), [Sch. 2 para. 4](#)

PART 2

OBLIGATIONS FOLLOWING REGISTRATION, ETC

Liability for VAT

- 10 (1) A person is liable to pay VAT under and in accordance with this Schedule if—
- (a) he makes a qualifying supply, and
 - (b) he is registered under this Schedule when he makes the supply.
- (2) The amount of VAT which a person is liable to pay by virtue of this Schedule on any qualifying supply is to be determined in accordance with sub-paragraphs (3) and (4) below.
- (3) If the qualifying supply is treated as made in the United Kingdom, the amount is the amount of VAT that would have been charged on the supply under this Act if the person had been registered under this Act when he made the supply.
- (4) If the qualifying supply is treated as made in another member State, the amount is the amount of VAT that would have been charged on the supply in accordance with the law of that member State if the person had been identified for the purposes of VAT in that member State when he made the supply.
- (5) Where a person is liable to pay VAT by virtue of this Schedule—
- (a) any amount falling to be determined in accordance with sub-paragraph (3) above is to be regarded for the purposes of this Act as VAT charged in accordance with this Act, and
 - (b) any amount falling to be determined in accordance with sub-paragraph (4) above in relation to another member State is to be regarded for those purposes as VAT charged in accordance with the law of that member State.

Obligation to submit special accounting returns

- 11 (1) A person who is, or has been, registered under this Schedule must submit a return (a “special accounting return”) to the Controller for each reporting period.

Status: Point in time view as at 22/07/2013.

*Changes to legislation: There are currently no known outstanding effects
for the Value Added Tax Act 1994, Part 2. (See end of Document for details)*

- (2) Each quarter for the whole or any part of which a person is registered under this Schedule is a “ reporting period ” in the case of that person.
- (3) The special accounting return must state the person’s registration number.
- (4) For each member State in which the person is treated as having made qualifying supplies for the reporting period, the special accounting return must specify—
 - (a) the total value of his qualifying supplies treated as made in that member State in that period, apart from the VAT which he is liable to pay by virtue of this Schedule in respect of those supplies,
 - (b) the rate of VAT applicable to those supplies by virtue of sub-paragraph (3) or (4) (as the case may be) of paragraph 10 above, and
 - (c) the total amount of VAT payable by him by virtue of this Schedule in respect of those supplies in that period.
- (5) The special accounting return must state the total amount of VAT which the person is liable to pay by virtue of this Schedule in respect of all qualifying supplies treated as made by him in all member States in the reporting period.
- (6) If a person is registered under this Schedule for part only of a reporting period, references in this paragraph to his qualifying supplies in that period are references to his qualifying supplies in that part of that period.
- (7) In this Schedule, “ the Controller ” means the Controller, Customs and Excise Value Added Tax Central Unit.

Further obligations with respect to special accounting returns

- 12 (1) A special accounting return must set out in sterling the amounts referred to in paragraph 11 above.
- (2) Any conversion from one currency into another for the purposes of sub-paragraph (1) above shall be made by using the exchange rates published by the European Central Bank—
 - (a) for the last day of the reporting period to which the special accounting return relates, or
 - (b) if no such rate is published for that day, for the next day for which such a rate is published.
- (3) A special accounting return must be submitted to the Controller within the period of 20 days after the last day of the reporting period to which it relates.
- (4) A special accounting return must be submitted by such electronic means, and in such manner, as the Commissioners may direct or may by regulations prescribe.

Payment of VAT

- 13 (1) A person who is required to submit a special accounting return must, at the same time as he submits the return, pay to the Controller in sterling the amount referred to in paragraph 11(5) above in respect of the reporting period to which the return relates.
- (2) A payment under this paragraph must be made in such manner as the Commissioners may direct or may by regulations prescribe.

Status: Point in time view as at 22/07/2013.

Changes to legislation: There are currently no known outstanding effects for the Value Added Tax Act 1994, Part 2. (See end of Document for details)

Obligations to keep and produce records

- 14
- (1) A person must keep records of the transactions which he enters into for the purposes of, or in connection with, qualifying supplies made by him at any time when he is registered under this Schedule.
 - (2) The records to be kept must be such as will enable the tax authorities for the member State in which a qualifying supply is treated as made to determine whether any special accounting return which is submitted in respect of that supply is correct.
 - (3) Any records required to be kept must be made available—
 - (a) to the tax authorities for the member State in which the qualifying supply to which the records relate was treated as made, if they so request, or
 - (b) to the Commissioners, if they so request.
 - (4) Records must be made available electronically under sub-paragraph (3) above.
 - (5) The records relating to a transaction must be maintained for a period of ten years beginning with the 1st January following the date on which the transaction was entered into.

Commissioners' power to request production of records

- 15
- (1) The Commissioners may request a person to make available to them electronically records of the transactions entered into by him for the purposes of, or in connection with, qualifying supplies to which this paragraph applies.
 - (2) This paragraph applies to qualifying supplies which—
 - (a) are treated as made in the United Kingdom, and
 - (b) are made by the person while he is identified under any provision of the law of another member State which implements Article 26c.]

Status:

Point in time view as at 22/07/2013.

Changes to legislation:

There are currently no known outstanding effects for the Value Added Tax Act 1994, Part 2.