

Status: Point in time view as at 01/10/2009.

Changes to legislation: There are currently no known outstanding effects for the Value Added Tax Act 1994, Part 1. (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 1

REGISTRATION

The register

- 1 Persons registered under this Schedule are to be registered in a single register kept by the Commissioners for the purposes of this Schedule.

Persons who may be registered

- 2 (1) A person may be registered under this Schedule if he satisfies the following conditions.
- (2) Condition 1 is that the person makes or intends to make qualifying supplies in the course of a business carried on by him.
- (3) Condition 2 is that the person has neither his business establishment nor a fixed establishment in the United Kingdom or in another member State in relation to any supply of goods or services.
- (4) Condition 3 is that the person is not—
- (a) registered under this Act,
 - (b) identified for the purposes of VAT in accordance with the law of another member State, or
 - (c) registered under an Act of Tynwald for the purposes of any tax imposed by or under an Act of Tynwald which corresponds to VAT.
- (5) Condition 4 is that the person—
- (a) is not required to be registered or identified as mentioned in condition 3, or
 - (b) is required to be so registered or identified, but solely by virtue of the fact that he makes or intends to make qualifying supplies.
- (6) Condition 5 is that the person is not identified under any provision of the law of another member State which implements Article 26c.

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- (7) In this Schedule, “ Article 26c ” means Article 26c of the 1977 VAT Directive (which is inserted by Article 1(3) of the 2002 VAT Directive).
- (8) References in this Schedule to a person’s being registered under this Act do not include a reference to that person’s being registered under this Schedule.

Qualifying supplies

- 3 In this Schedule, “ qualifying supply ” means a supply of electronically supplied services (within the meaning of paragraph 7C of Schedule 5) to a person who—
- (a) belongs in the United Kingdom or another member State, and
 - (b) receives those services otherwise than for the purposes of a business carried on by him.

Registration request

- 4 (1) If a person—
- (a) satisfies the Commissioners that the conditions in paragraph 2 above are satisfied in his case, and
 - (b) makes a request in accordance with this paragraph (a “ registration request ”),
- the Commissioners must register him under this Schedule.
- (2) Sub-paragraph (1) above is subject to paragraph 9 below.
- (3) A registration request must contain the following particulars—
- (a) the name of the person making the request;
 - (b) his postal address;
 - (c) his electronic addresses (including any websites);
 - (d) where he has been allocated a number by the tax authorities in the country in which he belongs, that number;
 - (e) the date on which he began, or intends to begin, making qualifying supplies.
- (4) A registration request must include a statement that the person making the request is not—
- (a) registered under this Act,
 - (b) identified for the purposes of VAT in accordance with the law of another member State, or
 - (c) registered under an Act of Tynwald for the purposes of any tax imposed by or under an Act of Tynwald which corresponds to VAT.
- (5) A registration request must be made by such electronic means, and in such manner, as the Commissioners may direct or may by regulations prescribe.

Date on which registration takes effect

- 5 (1) Where a person is registered under this Schedule, his registration takes effect—
- (a) on the date on which his registration request is made, or
 - (b) on such earlier or later date as may be agreed between him and the Commissioners.
- (2) For the purposes of sub-paragraph (1) above—

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- (a) no registration is to take effect before 1st July 2003, and
- (b) registration requests made before that date are to be treated as if they were made on that date.

Registration number

- 6 On registering a person under this Schedule, the Commissioners must—
- (a) allocate a registration number to him, and
 - (b) notify him electronically of the number.

Obligation to notify changes

- 7 (1) A person who has made a registration request must notify the Commissioners if subsequently—
- (a) there is a change in any of the particulars contained in his request in accordance with paragraph 4(3) above,
 - (b) he ceases to make, or to have the intention of making, qualifying supplies, or
 - (c) he ceases to satisfy the conditions in any of sub-paragraphs (3) to (6) of paragraph 2 above.
- (2) A notification under this paragraph must be given within the period of 30 days beginning with the date of the change of particulars or of the cessation.
- (3) A notification under this paragraph must be given by such electronic means, and in such manner, as the Commissioners may direct or may by regulations prescribe.

Cancellation of registration

- 8 (1) The Commissioners must cancel a person's registration under this Schedule if—
- (a) he notifies them that he has ceased to make, or to have the intention of making, qualifying supplies,
 - (b) they otherwise determine that he has ceased to make, or to have the intention of making, qualifying supplies,
 - (c) he notifies them that he has ceased to satisfy the conditions in any of sub-paragraphs (3) to (6) of paragraph 2 above,
 - (d) they otherwise determine that he has ceased to satisfy any of those conditions, or
 - (e) they determine that he has persistently failed to comply with his obligations under this Schedule.
- (2) In a case falling within sub-paragraph (1)(a) or (c) above, cancellation of a person's registration under this paragraph takes effect—
- (a) on the date on which the notification is received, or
 - (b) on such earlier or later date as may be agreed between him and the Commissioners.
- (3) In a case falling within sub-paragraph (1)(b), (d) or (e) above, cancellation of a person's registration under this paragraph takes effect—
- (a) on the date on which the determination is made, or
 - (b) on such earlier or later date as the Commissioners may in his particular case direct.

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Registration after cancellation for persistent default

- 9 (1) The Commissioners—
- (a) are not required by paragraph 4(1) above to register a person under this Schedule if he is a persistent defaulter, but
 - (b) shall have the power to do so.
- (2) In this paragraph, “ persistent defaulter ” means a person—
- (a) whose previous registration under this Schedule has been cancelled under paragraph 8(1)(e) above (persistent failure to comply with obligations under this Schedule), or
 - (b) who has been excluded from the identification register under any provision of the law of another member State which implements Article 26c(B)(4)(d) of the 1977 VAT Directive (persistent failure to comply with rules concerning the special scheme).]

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