



# Value Added Tax Act 1994

## 1994 CHAPTER 23

### PART IV

#### ADMINISTRATION, COLLECTION AND ENFORCEMENT

##### *Interest, repayment supplements etc. payable by Commissioners*

#### **79 Repayment supplement in respect of certain delayed payments or refunds.**

(1) In any case where—

- (a) a person is entitled to a VAT credit, or
- (b) a body which is registered and to which section 33 applies is entitled to a refund under that section,

and the conditions mentioned in subsection (2) below are satisfied, the amount which, apart from this section, would be due by way of that payment or refund shall be increased by the addition of a supplement equal to 5 per cent. of that amount or £50, whichever is the greater.

(2) The said conditions are—

- (a) that the requisite return or claim is received by the Commissioners not later than the last day on which it is required to be furnished or made, and
- (b) that a written instruction directing the making of the payment or refund is not issued by the Commissioners within the period of 30 days beginning on the date of the receipt by the Commissioners of that return or claim, and
- (c) that the amount shown on that return or claim as due by way of payment or refund does not exceed the payment or refund which was in fact due by more than 5 per cent. of that payment or refund or £250, whichever is the greater.

(3) Regulations may provide that, in computing the period of 30 days referred to in subsection (2)(b) above, there shall be left out of account periods determined in accordance with the regulations and referable to—

- (a) the raising and answering of any reasonable inquiry relating to the requisite return or claim,

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*Status: Point in time view as at 01/04/1995. This version of this provision has been superseded.*

*Changes to legislation: There are currently no known outstanding effects for the Value Added Tax Act 1994, Section 79. (See end of Document for details)*

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- (b) the correction by the Commissioners of any errors or omissions in that return or claim, and
  - (c) in the case of a payment, the following matters, namely—
    - (i) any such continuing failure to submit returns as is referred to in section 25(5), and
    - (ii) compliance with any such condition as is referred to in paragraph 4(1) of Schedule 11.
- (4) In determining for the purposes of regulations under subsection (3) above whether any period is referable to the raising and answering of such an inquiry as is mentioned in that subsection, there shall be taken to be so referable any period which—
- (a) begins with the date on which the Commissioners first consider it necessary to make such an inquiry, and
  - (b) ends with the date on which the Commissioners—
    - (i) satisfy themselves that they have received a complete answer to the inquiry, or
    - (ii) determine not to make the inquiry or, if they have made it, not to pursue it further,
- but excluding so much of that period as may be prescribed; and it is immaterial whether any inquiry is in fact made or whether it is or might have been made of the person or body making the requisite return or claim or of an authorised person or of some other person.
- (5) Except for the purpose of determining the amount of the supplement—
- (a) a supplement paid to any person under subsection (1)(a) above shall be treated as an amount due to him by way of credit under section 25(3), and
  - (b) a supplement paid to any body under subsection (1)(b) above shall be treated as an amount due to it by way of refund under section 33.
- (6) In this section “requisite return or claim” means—
- (a) in relation to a payment, the return for the prescribed accounting period concerned which is required to be furnished in accordance with regulations under this Act, and
  - (b) in relation to a refund, the claim for that refund which is required to be made in accordance with the Commissioners’ determination under section 33.
- (7) If the Treasury by order so direct, any period specified in the order shall be disregarded for the purpose of calculating the period of 30 days referred to in subsection (2)(b) above.

**Status:**

Point in time view as at 01/04/1995. This version of this provision has been superseded.

**Changes to legislation:**

There are currently no known outstanding effects for the Value Added Tax Act 1994, Section 79.