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STATUTORY INSTRUMENTS

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**1993 No. 3028**

**VALUE ADDED TAX**

**The Value Added Tax (Cash Accounting)  
(Amendment) (No. 2) Regulations 1993**

*Made* - - - - 6th December 1993  
*Laid before the House of  
Commons* - - - - 13th December 1993  
*Coming into force* - - 3rd January 1994

The Commissioners of Customs and Excise, in exercise of the powers conferred on them by section 14(1) of, and paragraph 2(3A) of Schedule 7 to, the Value Added Tax Act 1983(1) and of all other powers enabling them in that behalf, hereby make the following Regulations:

1. These Regulations may be cited as the Value Added Tax (Cash Accounting) (Amendment) (No.2) Regulations 1993 and shall come into force on 3rd January 1994.
2. The Value Added Tax (Cash Accounting) Regulations 1987(2) shall be amended as follows.
3. In regulation 4—
  - (a) for paragraph (1)(b)
    - (ii) there shall be substituted the following—
      - “(ii) agreed an arrangement with the Commissioners for an outstanding amount of such sums as are referred to in  
(i) above to be paid in instalments over a specified period; and”;
  - (b) in paragraph (1)(c) for “three years” there shall be substituted “period of one year”.
4. For paragraph (2) of regulation 6 there shall be substituted the following—

“(2) A person may, subject to regulation 10 below, remain in the scheme unless at the end of a prescribed accounting period of his the value of taxable supplies made by him in the period of one year then ending has exceeded £437,500 and the value of taxable supplies made by him in the period of one year then beginning has exceeded £350,000, in which

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(1) 1983 c. 55; section 14(1) was amended by section 11(1) of the Finance Act 1987 (c. 16) and section 14(2) of, and paragraph 15(1) of Schedule 3 to, the Finance (No.2) Act 1992 (c. 48); paragraph 2(3A) of Schedule 7 was inserted by section 11(2) of the Finance Act 1987; section 48(1) defines “the Commissioners” as meaning the Commissioners of Customs and Excise and “regulations” as meaning regulations made by the Commissioners.

(2) S.I.1987/1427, amended by S.I. 1990/420, 1943, 1992/644, 1993/762.

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**Status:** This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

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case he shall cease to operate the scheme with effect from the end of the period of one year second mentioned.”

5. In regulations 8 and 9(1) and (2) for “twelve”, in each place where that word occurs, there shall be substituted “six”.

New King’s Beam House 22 Upper Ground  
London SE1 9PJ  
6th December 1993

*E. Woods*  
Commissioner of Customs and Excise

## EXPLANATORY NOTE

*(This note is not part of the Regulations)*

These Regulations, which come into force on 3rd January 1994, amend the Value Added Tax (Cash Accounting) Regulations 1987 by—

- (a) relaxing certain conditions for admission to, and remaining in, the cash accounting scheme; and
- (b) reducing from one year to six months the period in respect of which outstanding tax has to be accounted for when a person, who has been operating the scheme, ceases to trade.