
STATUTORY INSTRUMENTS

1993 No.762

VALUE ADDED TAX

**The Value Added Tax (Cash Accounting)
(Amendment) Regulations 1993**

<i>Made</i>	- - - -	<i>16th March 1993</i>
<i>Laid before the House of Commons</i>	- - - -	<i>16th March 1993</i>
<i>Coming into force</i>	- -	<i>1st April 1993</i>

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) Regulations 1993 and shall come into force on 1st April 1993.
2. The Value Added Tax (Cash Accounting) Regulations 1987(2) shall be amended as follows.
3. In regulation 2 the definition of “authorised person” shall be omitted.
4. In regulation 3 for “The Commissioners” there shall be substituted “A taxable person” and for “them, authorise taxable persons to” there shall be substituted “the Commissioners,”.
5. In regulation 4—
 - (a) in paragraph (1) for “apply for authorisation under regulation 3 above” there shall be substituted “begin to operate the scheme”;
 - (b) for paragraph (1)(a) there shall be substituted the following—

“(a) at any time, he has reasonable grounds for believing that the value of taxable supplies made by him in the period of one year then beginning will not exceed £350,000;”;
 - (c) in paragraph (1)(c) for “the date of his application for authorisation” there shall be substituted “that time”;
 - (d) for paragraph (1)(c)(iv) there shall be substituted the following—

(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.

- “(iv) by virtue of regulation 10(1) below, ceased to be entitled to continue to operate the scheme.”; and
- (e) paragraph (2) shall be omitted.
- 6.** In regulation 6—
- (a) for paragraph (1) there shall be substituted the following—
- “(1) A person who becomes eligible to begin to operate the scheme may do so at the beginning of his next prescribed accounting period.”;
- (b) in paragraph (2) for “An authorised” there shall be substituted “A”;
- (c) in paragraph (2)(a) for “£300,000”, in each place where that word occurs, there shall be substituted “£350,000” and “within thirty days notify the Commissioners and” shall be omitted;
- (d) in paragraph (2)(b) for “£300,000” there shall be substituted “£350,000” and for “within thirty days notify the Commissioners who may terminate his authorisation” there shall be substituted “cease to operate the scheme”; and
- (e) for paragraph (3) there shall be substituted the following—
- “(3) A person may withdraw from the scheme at the end of a prescribed accounting period of his where—
- (i) he derives no benefit from remaining in the scheme, or
- (ii) he is unable, by reason of his accounting system, to comply with the requirements of the scheme.”
- 7.** In regulation 7 for “An authorised” there shall be substituted “A” and “, and his authorisation shall terminate forthwith” shall be omitted.
- 8.** In regulations 8 and 9(1), (2) and (3) for “an authorised person”, in each place where those words occur, there shall be substituted “a person operating the scheme”.
- 9.** In regulation 10—
- (a) in paragraph (1) for “The Commissioners may terminate an authorisation in any case” there shall be substituted “A person shall not be entitled to continue to operate the scheme”;
- (b) paragraph (1)(a) shall be omitted;
- (c) in paragraph (1)(b), (c), (d) and (e) for “an authorised person” there shall be substituted “he”;
- (d) in paragraph (1)(b), (c) and (e) for “admitted to” there shall be substituted “operating”;
- (e) for paragraph (1)(f) there shall be substituted the following—
- “(f) the Commissioners consider it necessary for the protection of the revenue that he shall not be so entitled”;
- (f) in paragraph (2) for “whose authorisation has been terminated under paragraph (1) of this regulation” there shall be substituted “who, by virtue of paragraph (1) above, ceases to be entitled to continue to operate the scheme”; and
- (g) in paragraph (3) for “An authorised person whose authorisation has been terminated” there shall be substituted “A person who ceases to operate the scheme”.
- 10.** In regulation 12(3) and (4) for “An authorised person” there shall be substituted “A person operating the scheme”.

New King's Beam House,
22 Upper Ground,
London SE1 9PJ
16th March 1993

E. Woods
Commissioner of Customs and Excise

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

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations which come into force on 1st April 1993 amend the Value Added Tax (Cash Accounting) Regulations 1987 by—

- (a) increasing from £300,000 to £350,000 the value of taxable supplies in a year for the purposes of admission to, and remaining in, the cash accounting scheme; and
- (b) dispensing with the need for formal authorisation by the Commissioners of Customs and Excise for admission to the scheme.