

---

STATUTORY INSTRUMENTS

---

**1995 No. 2518**

**VALUE ADDED TAX**

**The Value Added Tax Regulations 1995**

*Made - - - - 27th September 1995*  
*Laid before the House of*  
*Commons - - 28th September 1995*  
*Coming into force 20th October 1995*

**THE VALUE ADDED TAX REGULATIONS 1995**

**PART I**

**PRELIMINARY**

1. Citation and commencement
2. Interpretation—general
3. Revocations and savings
4. Requirement, direction, demand or permission
- 4A Electronic communication
- 4B (1) A specified communication is— (a) an application under section...

**PART II**

**REGISTRATION AND PROVISIONS FOR SPECIAL CASES**

5. Registration and notification
6. Transfer of a going concern
7. Notice by partnership
8. Representation of club, association or organisation
9. Death, bankruptcy or incapacity of taxable person
10. VAT representatives
11. Notification of intended section 14(1) supplies by intermediate suppliers
12. Notification of intended section 14(2) supplies by persons belonging in other member States

**PART III**

**VAT INVOICES AND OTHER INVOICING REQUIREMENTS**

- A13 Interpretation of Part 3
13. Obligation to provide a VAT invoice

**Status:** Point in time view as at 01/04/2014.

**Changes to legislation:** There are currently no known outstanding effects for the The Value Added Tax Regulations 1995. (See end of Document for details)

- 13A Electronic invoicing
- 13B Where a VAT invoice or part of a VAT invoice...
- 14. Contents of VAT invoice
- 15. Change of rate, credit notes
- 15A Change of rate, supplementary charge invoices
- 15B Change of liability: anti-forestalling invoices
- 16. Retailers' invoices
- 16A Simplified invoices
- 17. Section 14(6) supplies to persons belonging in other member States
- 18. Section 14(1) supplies by intermediate suppliers
- 19. Section 14(2) supplies by persons belonging in other member States
- 20. General

#### PART IV

#### EC SALES STATEMENTS

- 21. Interpretation of Part IV
- 22. Submission of statements
- 22A (1) Every taxable person who has made a supply of...
- 22B (1) Where statements are to be submitted under regulation 22...
- 22C (1) Every taxable person who in any quarter makes a...
- 23. Final statements

#### PART 4A

#### REVERSE CHARGE SALES STATEMENTS

- 23A Interpretation of Part 4A
- 23B Notification of first relevant supply
- 23C Submission of Statements
- 23D Notification of cessation and recommencement of relevant supplies

#### PART 4B

#### PROVISION OF INFORMATION RELATING TO ARRIVALS AND DISPATCHES

##### *Interpretation of Part 4B*

- 23E (1) In this Part— “ establishing Regulation ” means the...
- 23F (1) A responsible party shall provide the information in paragraph...

#### PART V

#### ACCOUNTING, PAYMENT AND RECORDS

- 24. Interpretation of Part V
- 25. Making of returns
- 25A (1) Where a person makes a return required by regulation...
- 26. Accounting for VAT on an acquisition by reference to the value shown on an invoice
- 27. Supplies under Schedule 4, paragraph 7
- 28. Estimation of output tax
- 29. Claims for input tax
- 30. Persons acting in a representative capacity
- 31. Records
- 31A (1) This regulation applies where a person—

**Status:** Point in time view as at 01/04/2014.

**Changes to legislation:** There are currently no known outstanding effects for the Value Added Tax Regulations 1995. (See end of Document for details)

- 31B Where a person receives a supply of a description falling...
- 31C Paragraph 10(2) of Schedule 11 to the Act shall apply...
- 32. The VAT account
- 33. The register of temporary movement of goods to and from other member States
- 33A A person making supplies of a description falling within article...
- 33B Where a person of a description in article 6 of...
- 34. Correction of errors
- 36. Notification of acquisition of goods subject to excise duty by non-taxable persons and payment of VAT
- 37. Claims for credit for, or repayment of, overstated or overpaid VAT
- 38. Adjustments in the course of business
- 38ZA (1) Where— (a) there is a decrease in consideration for...
- 38A Adjustments where a supply becomes, or ceases to be, a supply to which section 55A(6) of the Act applies (customers to account for tax on supplies of goods or services of a kind used in missing trader intra-community fraud)
- 39. Calculation of returns
- 40. VAT to be accounted for on returns and payment of VAT
- 40A Where the Commissioners in exercise of their power under section...
- 41. Accounting etc. by reference to the duty point, and prescribed accounting period in which VAT on certain supplies is to be treated as being chargeable
- 42. Accounting for VAT on the removal of goods
- 43. Goods removed from warehousing regime

#### PART VA

#### REIMBURSEMENT ARRANGEMENTS

- 43A Interpretation of Part VA
- 43B Reimbursement arrangements—general
- 43C Reimbursement arrangements—provisions to be included
- 43D Notifications and repayments to the Commissioners
- 43E Records
- 43F Production of records
- 43G Undertakings
- 43H Reimbursement arrangements made before 11th February 1998

#### PART VI

#### PAYMENTS ON ACCOUNT

- 44. Interpretation of Part VI
- 45. Payments on Account
- 46. Save in a case to which regulation 48 applies, if...
- 46A (1) A payment on account and a payment in respect...
- 47. Where a taxable person fails to make a payment on...
- 48. — (1) The Commissioners shall notify a relevant division in...

#### PART VII

#### ANNUAL ACCOUNTING

- 49. Interpretation of Part VII
- 50. Annual accounting scheme
- 51. An authorised person shall, where in any given case the...

*Status: Point in time view as at 01/04/2014.*

*Changes to legislation: There are currently no known outstanding effects for the The Value Added Tax Regulations 1995. (See end of Document for details)*

- 52. Admission to the scheme
- 53. (1) An authorised person shall continue to account for VAT...
- 54. (1) The Commissioners may terminate an authorisation in any case...
- 55. (1) The date from which an authorised person ceases to...

#### PART VIIA

#### FLAT-RATE SCHEME FOR SMALL BUSINESSES

- 55A Interpretation of Part VIIA
- 55B Flat-rate scheme for small businesses
- 55C Relevant supplies and purchases
- 55D Method of accounting
- 55E Input tax
- 55F Exceptional claims for VAT relief
- 55G Determining relevant turnover
- 55H Appropriate percentage
- 55JB Reduced appropriate percentage for newly registered period
- 55K Category of business
- 55L Admission to scheme
- 55M Withdrawal from the scheme
- 55N Notification
- 55P Termination by the Commissioners
- 55Q Date of withdrawal from the scheme
- 55R Self-supply on withdrawal from scheme
- 55S Adjustments in respect of stock on hand at withdrawal from scheme
- 55T Amendment by notice
- 55U Reverse charges
- 55V Bad debt relief

#### PART VIII

#### CASH ACCOUNTING

- 56. Interpretation of Part VIII
- 57. Cash accounting scheme
- 57A (1) A person shall not account for VAT in accordance...
- 58. Admission to the scheme
- 59. Without prejudice to the right of a person to withdraw...
- 60. (1) Without prejudice to regulation 64 below, a person shall...
- 61. (1) Subject to paragraph (2), a person who ceases to...
- 62. Where a person operating the scheme becomes insolvent he shall...
- 63. — (1) Where a person operating the scheme ceases business...
- 64. Withdrawal from the scheme
- 64A Bad debt relief
- 65. Accounting

#### PART IX

#### SUPPLIES BY RETAILERS

- 66. Interpretation of Part IX
- 67. Retail schemes
- 68. The Commissioners may refuse to permit the value of taxable...
- 69. No retailer may at any time use more than one...
- 69A No retailer may use a scheme at any time for...

**Status:** Point in time view as at 01/04/2014.

**Changes to legislation:** There are currently no known outstanding effects for the The Value Added Tax Regulations 1995. (See end of Document for details)

- 70. Notification of use of a scheme
- 71. Changing schemes
- 72. Ceasing to use a scheme
- 73. Supplies under Schedule 8, Group 1
- 74. Supplies under Schedule 8, Group 12
- 75. Change in VAT

#### PART X

#### TRADING STAMPS

- 76. Interpretation of Part X
- 77. Trading stamp scheme
- 78. ....
- 79. ....
- 80. ....

#### PART XI

#### TIME OF SUPPLY AND TIME OF ACQUISITION

- 81. Goods for private use and free supplies of services
- 82. Services from outside the United Kingdom
- 82A Goods supplied by persons outside the United Kingdom
- 83. Time of acquisition
- 84. Supplies of land—special cases
- 85. Leases treated as supplies of goods
- 86. Supplies of water, gas or any form of power, heat, refrigeration or other cooling, or ventilation
- 87. Acquisitions of water, gas or any form of power, heat, refrigeration or other cooling, or ventilation
- 88. Supplier's goods in possession of buyer
- 89. Retention payments
- 90. Continuous supplies of services
- 90A Where— (a) relevant services are supplied for a period for...
- 90B Where relevant services are treated as supplied on or after...
- 91. Royalties and similar payments
- 92. Supplies of services by barristers and advocates
- 93. Supplies in the construction industry
- 94. General
- 94A In this Part a reference to receipt of payment (however...
- 94B (1) This regulation applies in relation to the following supplies...
- 95. Supplies spanning change of rate etc.

#### PART XII

#### VALUATION OF ACQUISITIONS

- 96. Interpretation of Part XII
- 97. Valuation of acquisitions

#### PART XIII

#### PLACE OF SUPPLY

- 98. Distance sales from the United Kingdom

*Status: Point in time view as at 01/04/2014.*

*Changes to legislation: There are currently no known outstanding effects for the The Value Added Tax Regulations 1995. (See end of Document for details)*

## PART XIV

### INPUT TAX AND PARTIAL EXEMPTION

- 99. Interpretation of Part XIV and longer periods
- 100. Nothing in this Part shall be construed as allowing a...
- 101. Attribution of input tax to taxable supplies
- 102. Use of other methods
- 102ZA (1) A taxable person who is required to make an...
- 102A (1) Notwithstanding the Commissioners' powers to serve a notice under...
- 102B (1) Where this regulation applies, a taxable person shall calculate...
- 102C (1) Subject to regulation 102A, where a taxable person—
- 103. Attribution of input tax to foreign and specified supplies
- 103A Attribution of input tax to investment gold
- 103B Attribution of input tax incurred on services and related goods used to make financial supplies
- 104. Attribution of input tax on self-supplies
- 105. Treatment of input tax attributable to exempt supplies as being attributable to taxable supplies
- 105A (1) Subject to regulation 106ZA(1), where, in relation to a...
- 106. (1) Where regulation 105A does not apply then, subject to...
- 106ZA (1) A taxable person who— (a) was entitled to attribute...
- 106A (1) This regulation applies where regulation 107A applies.
- 107. Adjustment of attribution
- 107A (1) This regulation applies where a taxable person has made...
- 107B (1) Other than where input tax falls to be attributed...
- 107C For the purposes of regulations 107A and 107B, a difference...
- 107D For the purposes of regulations 107A and 107B a person...
- 107E (1) Regulations 107A and 107B shall not apply where the...
- 107F The references in regulations 107C and 107E to an apportionment...
- 108. — (1) This regulation applies where a taxable person has...
- 109. — (1) This regulation applies where a taxable person has...
- 110. (1) Subject to paragraph (2) below, in this regulation, in...
- 111. Exceptional claims for VAT relief

## PART XV

### ADJUSTMENTS TO THE DEDUCTION OF INPUT TAX ON CAPITAL ITEMS

- 112. Interpretation of Part XV
- 113. Capital items to which this Part applies
- 113A (1) This regulation applies where— (a) the owner of an...
- 114. Period of adjustment
- 115. Method of adjustment
- 116. Ascertainment of taxable use of a capital item

## PART 15A

### GOODS USED FOR NON-BUSINESS PURPOSES DURING THEIR ECONOMIC LIFE

- 116A Application
- 116B Interpretation of this Part
- 116C Economic life of goods
- 116D Where the economic life of the interest of a person,...
- 116E Value of a relevant supply

**Status:** Point in time view as at 01/04/2014.

**Changes to legislation:** There are currently no known outstanding effects for the The Value Added Tax Regulations 1995. (See end of Document for details)

- 116F Where a prescribed accounting period in which a relevant supply...
- 116G Later increase in the full cost of goods
- 116H Value of relevant supplies made during a new economic life
- 116I Value of relevant supplies of goods which have two or more economic lives
- 116J Transitional provisions
- 116K The person referred to in regulation 116J(b) is the person...
- 116L An economic life of goods to which this regulation applies...
- 116M The period referred to in regulation 116L is the period...
- 116N Where a person has claimed deduction of input tax on...

## PART XVI

### IMPORTATIONS, EXPORTATIONS AND REMOVALS

- 117. Interpretation of Part XVI
- 118. Enactments excepted
- 119. Regulations excepted
- 120. EU legislation excepted
- 121. Adaptations
- 121A (1) The application of the Customs Duties (Deferred Payment) Regulations...
- 121B (1) The application of Council Regulation ( EEC ) No...
- 121C (1) The application of Commission Regulation ( EEC ) No...
- 121D Adaptations and exceptions for the application of returned goods relief
- 122. Postal importations by registered persons in the course of business
- 123. Temporary importations
- 124. Reimportation of certain goods by non-taxable persons
- 125. Reimportation of certain goods by taxable persons
- 126. Reimportation of goods exported for treatment or process
- 127. Supplies to export houses
- 128. Export of freight containers
- 129. Supplies to overseas persons
- 130. Supplies to persons departing from the member States
- 131. — (1) Where the Commissioners are satisfied that—
- 132. The Commissioners may, on application by an overseas visitor who...
- 133. The Commissioners may, on application by any person who intends...
- 134. Supplies to persons taxable in another member State
- 135. Supplies of goods subject to excise duty to persons who are not taxable in another member State
- 136. Territories to be treated as excluded from or included in the territory of the European Union and of the member States
- 137. For the purposes of the Act the following territories shall...
- 138. — (1) For the purposes of the Act the territory...
- 139. For the purposes of the Act the following territories shall...
- 140. Entry and exit formalities
- 141. Use of the internal Union transit procedure
- 142. Customs and excise legislation to be applied
- 143. Where goods are imported into the United Kingdom from the...
- 144. Where goods are exported from the United Kingdom to the...
- 145. — (1) Subject to paragraph (2) below, where goods are...

*Status: Point in time view as at 01/04/2014.*

*Changes to legislation: There are currently no known outstanding effects for the Value Added Tax Regulations 1995. (See end of Document for details)*

## PART XVI(A)

### FISCAL AND OTHER WAREHOUSING REGIMES

- 145A Interpretation of Part XVI(A)
- 145B Fiscal warehousing certificates
- 145C Certificates connected with services in fiscal or other warehousing regimes
- 145D VAT invoices relating to services performed in fiscal or other warehousing regimes
- 145E Fiscal warehousing regimes
- 145F The fiscal warehousing record and stock control
- 145G Fiscal warehousing transfers in the United Kingdom
- 145H Removal of goods from a fiscal warehousing regime and transfers overseas
- 145I (1) A fiscal warehousekeeper shall not remove or allow the...
- 145J Payment on removal of goods from a fiscal warehousing regime
- 145K Place of supply of goods subject to warehousing regime

## PART XVII

### MEANS OF TRANSPORT

- 146. Interpretation of Part XVII
- 147. First entry into service of a means of transport
- 148. Notification of acquisition of new ships or new aircraft by non-taxable persons and payment of VAT
- 148A Notification of the arrival in the United Kingdom of motorised land vehicles and payment of VAT
- 149. Refunds in relation to new means of transport
- 150. The claim shall be made at, or sent to, any...
- 151. The claim shall contain the following information—
- 152. The claim shall be accompanied by the following documents—
- 153. The claim shall include a declaration, signed by the claimant...
- 154. The claim shall be completed by the submission to the...
- 155. Supplies of new means of transport to persons departing to another member State

## PART XVIII

### BAD DEBT RELIEF (THE OLD SCHEME)

- 156. Interpretation of Part XVIII
- 157. The making of a claim to the Commissioners
- 158. Evidence required of the claimant in support of the claim
- 159. . . . .
- 160. Preservation of documents and records and duty to produce
- 161. Set-off of amounts between the claimant and the debtor
- 162. Determination of outstanding amount of consideration in money
- 163. Repayment of a refund
- 164. Proving in the insolvency in Scotland

## PART XIX

### BAD DEBT RELIEF (THE NEW SCHEME)

- 165. Interpretation of Part XIX
- 165A Time within which a claim must be made



**Status:** Point in time view as at 01/04/2014.

**Changes to legislation:** There are currently no known outstanding effects for the Value Added Tax Regulations 1995. (See end of Document for details)

- 166. The making of a claim to the Commissioners
- 166A Notice to purchaser of claim
- 167. Evidence required of the claimant in support of the claim
- 168. Records required to be kept by the claimant
- 169. Preservation of documents and records and duty to produce
- 170. Attribution of payments
- 170A (1) This regulation applies where— (a) the claimant made a...
- 171. Repayment of a refund
- 172. Writing off debts
- 172A Writing off debts—margin schemes
- 172B Writing off debts—tour operators margin scheme

#### PART XIXA

#### REPAYMENT OF INPUT TAX WHERE CLAIM MADE UNDER PART XIX

- 172ZC Application
- 172C Interpretation of Part XIXA
- 172D Repayment of input tax
- 172E Restoration of an entitlement to credit for input tax

#### PART XIXB

#### REPAYMENT OF INPUT TAX WHERE CONSIDERATION NOT PAID

- 172F Application
- 172G Interpretation
- 172H Repayment of input tax
- 172I Restoration of an entitlement to credit for input tax
- 172J Attribution of payments

#### PART 19C

#### ADJUSTMENT OF OUTPUT TAX IN RESPECT OF SUPPLIES TO WHICH SECTION 55A (6) OF THE ACT APPLIES

- 172K This Part applies where a person is entitled, by virtue...
- 172L Adjustment of output tax
- 172M Readjustment of output tax
- 172N None of the circumstances to which this Part applies is...

#### PART XX

#### REPAYMENTS TO COMMUNITY TRADERS

- 173. Interpretation of Part XX
- 173A Repayments of VAT
- 173B (1) The VAT referred to in regulation 173A is VAT...
- 173C (1) This regulation applies to VAT charged on the goods...
- 173D (1) This regulation applies where— (a) a claim (“the original...
- 173E Persons to whom this Part applies
- 173F Time when VAT is incurred
- 173G Repayment period
- 173H Minimum total claim for a repayment period
- 173I Requirements for a claim for repayment of VAT
- 173J Where a claim for repayment of VAT under this Part...
- 173K The supplies or importations referred to in regulation 173J are—...

**Status:** Point in time view as at 01/04/2014.

**Changes to legislation:** There are currently no known outstanding effects for the The Value Added Tax Regulations 1995. (See end of Document for details)

- 173L Contents of a repayment application
- 173M In respect of every importation of goods or supply in...
- 173N The fraction referred to in regulation 173M(g) is the fraction...
- 173O (1) The nature of the goods or services in respect...
- 173P Day by which a claim under this Part must be made
- 173Q Notification of entitlement to repayment
- 173R Requests for further information or a document
- 173S Relevant period applicable to any VAT for which repayment is claimed
- 173T Extension of the relevant period by virtue of the making of a request for information or a document
- 173U Extension of the relevant period where more than one request for information or a document is made in relation to the same VAT
- 173V Time when a repayment of VAT must be made
- 173W Interest on late payments
- 173X Where— (a) any amount has been paid to any person...
- 174. ...
- 175. ...
- 176. ...
- 177. ...
- 178. ...
- 179. ...
- 180. Deduction of bank charges
- 181. Treatment of claim ...
- 182. ....
- 183. ... Incorrect claims
- 184. Where any sum has been repaid to a claimant as...

PART XXI

REPAYMENTS TO THIRD COUNTRY TRADERS

- 185. Interpretation of Part XXI
- 186. Repayments of VAT
- 187. VAT representatives
- 188. Persons to whom this Part applies
- 189. Supplies and importations to which this Part applies
- 190. VAT which will not be repaid
- 191. Method of claiming
- 192. Time within which a claim must be made
- 193. Deduction of bank charges
- 194. Treatment of claim ...
- 195. ....
- 196. False, altered or incorrect claims
- 197. Where any sum has been repaid to a claimant as...

PART XXII

REPAYMENT SUPPLEMENT

- 198. Computation of period
- 199. Duration of period

**Status:** Point in time view as at 01/04/2014.

**Changes to legislation:** There are currently no known outstanding effects for the Value Added Tax Regulations 1995. (See end of Document for details)

## PART XXIII

### REFUNDS TO “DO-IT-YOURSELF” BUILDERS

- 200. Interpretation of Part XXIII
- 201. Method and time for making claim
- 201A The relevant form for the purposes of a claim is—...

## PART XXIV

### FLAT-RATE SCHEME FOR FARMERS

- 202. Interpretation of Part XXIV
- 203. Flat-rate scheme
- 204. Admission to the scheme
- 205. Certification
- 206. Cancellation of certificates
- 207. Death, bankruptcy or incapacity of certified person
- 208. Further certification
- 209. Claims by taxable persons for amounts to be treated as credits for input tax
- 210. Duty to keep records
- 211. Production of records

## PART XXV

### DISTRESS AND DILIGENCE

- A212 In this Part— “Job Band” followed by a number between...
- 212. Distress
- 213. Diligence  
Signature

---

## SCHEDULE 1 —

### SCHEDULE 1A —

- 1. Goods in and out of a fiscal warehouse and its...
- 2. Specified services performed in a fiscal warehouse It shall accurately...
- 3. Documents relating to transfers and specified services
- 4. Procedures where transfers are not completed (a) It shall be...
- 5. Removals from a fiscal warehousing regime (a) It shall identify...
- 6. Miscellaneous (a) It shall incorporate any modifications to the features...

## SCHEDULE 2 — REVOCATIONS

### TABLE OF — (This table is not part of the Regulations) DERIVATIONS

- 1. Notes:
- 2. The following abbreviations are used in the Table: AA =The...

Explanatory Note

**Status:**

Point in time view as at 01/04/2014.

**Changes to legislation:**

There are currently no known outstanding effects for the The Value Added Tax Regulations 1995.