

STATUTORY INSTRUMENTS

**1995 No. 2518**

**The Value Added Tax Regulations 1995**

**[<sup>F1</sup>PART XIXB**

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

**[<sup>F1</sup>Restoration of an entitlement to credit for input tax**

**172I.**—(1) Where a person—

- (a) has made an entry in his VAT account in accordance with regulation 172H (“the input tax repayment”);
- (b) has made the return for the prescribed accounting period concerned, and has paid any VAT payable by him in respect of that period; and
- (c) after the end of the relevant period, has paid the whole or part of the consideration for the supply in relation to which the input tax repayment was made,

he shall make an entry in his VAT account in accordance with paragraphs (2) and (3) below in respect of each such payment made.

(2) The person shall make a positive entry in the VAT allowable portion of that part of his VAT account which relates to the prescribed accounting period of his in which payment of the whole or part of the consideration was made.

(3) The amount of the positive entry referred to in paragraph (2) above shall be such amount as is found by multiplying the amount of the input tax repayment by a fraction of which the numerator is the amount of the payment referred to in paragraph (1) (c) above and the denominator is [<sup>F2</sup>that consideration for the supply which was not paid before the end of the relevant period].

(4) None of the circumstances to which this regulation applies is to be regarded as giving rise to any application of regulations 34 and 35.

<sup>F3</sup>(5) .....]

**Textual Amendments**

- F1** Pt. 19B inserted (1.1.2003) by [The Value Added Tax \(Amendment\) \(No. 4\) Regulations 2002](#) (S.I. 2002/3027), regs. 1, **8**
- F2** Words in [reg. 172I\(3\)](#) substituted (1.4.2003) by [The Value Added Tax \(Amendment\) Regulations 2003](#) (S.I. 2003/532), regs. 1, **3**
- F3** [Reg. 172I\(5\)](#) omitted (1.4.2003) by virtue of [The Value Added Tax \(Amendment\) Regulations 2003](#) (S.I. 2003/532), regs. 1, **4**

**Changes to legislation:**

There are currently no known outstanding effects for the The Value Added Tax Regulations 1995, Section 172I.