

---

STATUTORY INSTRUMENTS

---

**1995 No. 2518**

**The Value Added Tax Regulations 1995**

**PART V U.K.**

**ACCOUNTING, PAYMENT AND RECORDS**

**The VAT account U.K.**

**32. —**

(1) Every taxable person shall keep and maintain, in accordance with this regulation, an account to be known as the VAT account.

(2) The VAT account shall be divided into separate parts relating to the prescribed accounting periods of the taxable person and each such part shall be further divided into 2 portions to be known as “the VAT payable portion” and “the VAT allowable portion”.

(3) The VAT payable portion for each prescribed accounting period shall comprise—

- (a) a total of the output tax due from the taxable person for that period,
- (b) a total of the output tax due on acquisitions from other member States by the taxable person for that period,

[<sup>F1</sup>(ba) a total of the tax which the taxable person is required to account for and pay on behalf of the supplier,]

[<sup>F2</sup>(baa) a total of the import VAT which the taxable person is accounting for on his return for that period in accordance with the Value Added Tax (Accounting Procedures for Import VAT for VAT Registered Persons and Amendment) (EU Exit) Regulations 2019,]

(c) every correction or adjustment to the VAT payable portion which is required or allowed by regulation 34, 35 [<sup>F3</sup>, 38 or 38A], and

(d) every adjustment to the amount of VAT payable by the taxable person for that period which is required, or allowed, by or under any Regulations made under the Act.

(4) The VAT allowable portion for each prescribed period shall comprise—

- (a) a total of the input tax allowable to the taxable person for that period by virtue of section 26 of the Act,
- (b) a total of the input tax allowable in respect of acquisitions from other member States by the taxable person for that period by virtue of section 26 of the Act,
- (c) every correction or adjustment to the VAT allowable portion which is required or allowed by regulation 34, 35 or 38, and
- (d) every adjustment to the amount of input tax allowable to the taxable person for that period which is required, or allowed, by or under any Regulations made under the Act.

### Textual Amendments

- F1** Reg. 32(3)(ba) inserted (1.6.2007) by The Value Added Tax (Amendment) (No.3) Regulations 2007 (S.I. 2007/1418), regs. 1, **4(a)(i)**
- F2** Reg. 32(3)(baa) inserted (31.12.2020) by The Value Added Tax (Accounting Procedures for Import VAT for VAT Registered Persons and Amendment) (EU Exit) Regulations 2019 (S.I. 2019/60), regs. 1, **12(3)(b)** (with reg. 3(1)(2)) (as amended by S.I. 2020/1495, regs. 1(2), 20(3)); S.I. 2020/1641, reg. 2, Sch.
- F3** Words in reg. 32(3)(c) substituted (1.6.2007) by The Value Added Tax (Amendment) (No.3) Regulations 2007 (S.I. 2007/1418), regs. 1, **4(a)(ii)**

### Modifications etc. (not altering text)

- C1** Pt. 5 applied (31.12.2020) by The Value Added Tax (Northern Ireland) (EU Exit) Regulations 2020 (S.I. 2020/1546), regs. 1, **34** (with reg. 33); S.I. 2020/1641, reg. 2, Sch.
- C2** Pt. 5 applied (31.12.2020) by The Value Added Tax (Northern Ireland) (EU Exit) Regulations 2020 (S.I. 2020/1546), regs. 1, **16** (with reg. 15); S.I. 2020/1641, reg. 2, Sch.
- C3** Reg. 32(3)(baa) applied (with modifications) (31.12.2020) by The Value Added Tax (Miscellaneous and Transitional Provisions, Amendment and Revocation) (EU Exit) Regulations 2020 (S.I. 2020/1495), regs. 1(2), **9(c)** (with reg. 4); S.I. 2020/1641, reg. 2, Sch.
- C4** Reg. 32(3)(baa) modified (31.12.2021) by The Customs and Value Added Tax (Managed Transition Procedure) (EU Exit) Regulations 2021 (S.I. 2021/1375), regs. 1, **9(c)** (with reg. 4)

### Commencement Information

- I1** Reg. 32 in force at 20.10.1995, see **reg. 1**

**Changes to legislation:**

There are currently no known outstanding effects for the The Value Added Tax Regulations 1995, Section 32.