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## STATUTORY INSTRUMENTS

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# 1995 No. 2518

## The Value Added Tax Regulations 1995

### PART VIII

#### CASH ACCOUNTING

##### Admission to the scheme

<sup>F1</sup>58.—(1) Without prejudice to paragraph (4) below, a taxable person shall be eligible to begin to operate the scheme from the beginning of any prescribed accounting period if—

- (a) he has reasonable grounds for believing that the value of taxable supplies to be made by him in the period of one year then beginning will not exceed [<sup>F2</sup>£600,000],
- (b) he has made all returns which he is required to make, and has—
  - (i) paid to the Commissioners all such sums shown as due on those returns and on any assessments made either under section 76 of, or Schedule 11 to, the Act, or
  - (ii) agreed an arrangement with the Commissioners for any outstanding amount of such sums as are referred to in sub-paragraph (i) above to be paid in instalments over a specific period, and
- (c) he has not in the period of one year preceding that time—
  - (i) been convicted of any offence in connection with VAT,
  - (ii) made any payment to compound proceedings in respect of VAT under section 152 of the Customs and Excise Management Act 1979,
  - (iii) been assessed to a penalty under section 60 of the Act, or
  - (iv) by virtue of regulation 64(1), ceased to be entitled to continue to operate the scheme.

(2) The scheme shall not apply to—

- (a) lease purchase agreements;
- (b) hire purchase agreements;
- (c) conditional sale agreements;
- (d) credit sale agreements;
- (e) supplies where a VAT invoice is issued and full payment of the amount shown on the invoice is not due for a period in excess of 6 months from the date of the issue of the invoice; or
- (f) supplies of goods or services in respect of which a VAT invoice is issued in advance of the delivery or making available of the goods or the performance of the services as the case may be.

(3) Sub-paragraph (2) (f) above shall not apply where goods have been delivered or made available in part or where services have been performed in part and the VAT invoice in question relates solely to that part of the goods which have been delivered or made available or that part of the services which have been performed.

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*Status: Point in time view as at 01/04/2001. This version of this provision has been superseded.*

*Changes to legislation: There are currently no known outstanding effects for the The Value Added Tax Regulations 1995, Section 58. (See end of Document for details)*

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(4) A person shall not be entitled to begin to operate the scheme if the Commissioners consider it is necessary for the protection of the revenue that he shall not be so entitled.]

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**Textual Amendments**

- F1** Reg. 58 substituted (3.7.1997) by [The Value Added Tax \(Amendment\) \(No.3\) Regulations 1997 \(S.I. 1997/1614\)](#), regs. 1, **3**
- F2** Sum in reg. 58(1)(a) substituted (1.4.2001) by [The Value Added Tax \(Amendment\) \(No. 2\) Regulations 2001 \(S.I. 2001/677\)](#), regs. 1, **4(a)**

**Status:**

Point in time view as at 01/04/2001. This version of this provision has been superseded.

**Changes to legislation:**

There are currently no known outstanding effects for the The Value Added Tax Regulations 1995, Section 58.