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STATUTORY INSTRUMENTS

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**1996 No. 2960**

**VALUE ADDED TAX**

**The Value Added Tax (Amendment) (No.5) Regulations 1996**

*Made* - - - - 26th November 1996  
*Laid before the House of*  
*Commons* - - - - 26th November 1996  
*Coming into force* - - 17th December 1996

The Commissioners of Customs and Excise, in exercise of the powers conferred on them by section 36(5) of the Value Added Tax Act 1994<sup>(1)</sup> 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 (Amendment) (No.5) Regulations 1996 and shall come into force on 17th December 1996.

2. Regulation 172 of the Value Added Tax Regulations 1995<sup>(2)</sup> shall be amended as follows—

(a) after paragraph (1) there shall be added—

“(1A) Neither the whole nor any part of the consideration for a supply shall be taken to have been written off in accounts as a bad debt until a period of not less than six months has elapsed from the time when such whole or part first became due and payable to or to the order of the person who made the supply in question.”;

(b) for paragraph (2) there shall be substituted—

“(2) Subject to paragraph (1A) the whole or any part of the consideration for a supply shall be taken to have been written off as a bad debt when an entry is made in relation to that supply in the refunds for bad debt account in accordance with regulation 168.”

New King's Beam House 22 Upper Ground  
London SE1 9PJ  
26th November 1996

*Martin Brown*  
Commissioner of Customs and Excise

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(1) 1994 c. 23.  
(2) S.I. 1995/2518.

**Status:** This is the original version (as it was originally made).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

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## **EXPLANATORY NOTE**

*(This note is not part of the Regulations)*

These Regulations, which come into force on 17th December 1996, amend Regulation 172 of the Value Added Tax Regulations 1995 (S.I.1995/2518) so that consideration shall not be taken as written off as a bad debt until at least six months has elapsed from the time when the debt becomes due and payable.