
STATUTORY INSTRUMENTS

1996 No. 2960

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

2. Regulation 172 of the Value Added Tax Regulations 1995(1) 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.”