
EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations amend Part 4A (reverse charge sales statements) and Part 5 (accounting, payment and records) of the Value Added Tax Regulations 1995 (S.I. 1995/2518) (“the Principal Regulations”).

Regulations 23B, 23C and 23D of the Principal Regulations impose certain reporting obligations on those who make supplies of goods to which a reverse charge applies.

The Value Added Tax (Section 55A) (Specified Goods and Excepted Supplies) Order 2014 (S.I. 2014/1458) (“the Order”), which is laid with these Regulations and comes into force on the same day, imposes a reverse charge for VAT purposes in relation to certain supplies of gas and electricity.

Regulation 3 amends the definition of “relevant supply” in regulation 23A of the Principal Regulations so that the reporting obligations will not apply to supplies of gas and electricity to which the Order applies.

Regulation 4 provides for an additional category of excepted persons who will be authorised to use the paper return system and allows the Commissioners to approve a new form of electronic return system (telephone filing) in a direction made under regulation 25A(8), the use of which will be restricted to specified authorised categories of taxpayers.

Specifically, regulation 4 makes it clear that a person who is required to use an electronic return system must use a form of electronic return system that that person is required or authorised to use; provides for an additional category of persons who are not required to make a return using an electronic return system, namely persons for whom the Commissioners are satisfied that it would not be reasonably practicable to make a return using an electronic return system (including telephone filing if they are authorised to use that form of electronic return system) for reasons such as disability, age or remoteness of location and allows the Commissioners to issue a direction under regulation 25A(8) that approves telephone filing as a form of electronic return system for use by specified categories of taxpayers.

A Tax Information and Impact Note covering the changes made by regulation 3 of this instrument was published at Budget 2014 and is available on the HMRC website at [HM Revenue & Customs: Tax Information and Impact Notes \(TIINs\)](#). It remains an accurate summary of the impacts that apply to this instrument.

A Tax Information and Impact Note covering the changes made by regulation 4 of this instrument will be published on the HMRC website at <http://www.hmrc.gov.uk/thelibrary/tiins.htm>.