STATUTORY INSTRUMENTS

1973 No. 1882

VALUE ADDED TAX

The Value Added Tax (General) (Amendment) (No. 2) Regulations 1973

Made - - - -	12*th November* 1973
Laid before the House of Commons -	20*th November* 1973
Coming into Operation	11*th December* 1973

The Commissioners of Customs and Excise, in exercise of the powers conferred on them by sections 3(4) and (5), 12(7) and 33(3) and (4) of the Finance Act, 1972**(a)** 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 (General) (Amendment) (No. 2) Regulations 1973 and shall come into operation on 11th December 1973.

2.—(1) In these Regulations "the Principal Regulations" means the Value Added Tax (General) Regulations 1972**(b)**.

(2) The Interpretation Act 1889**(c)** shall apply for the interpretation of these Regulations as it applies for the interpretation of an Act of Parliament.

3. Regulation 25 of the Principal Regulations shall be amended by deleting paragraph (*c*) thereof and substituting therefor the following—

"(*c*) that part of the value of any supply of goods on which output tax is not chargeable by virtue of any order made by the Treasury under section 3(6) of the Act unless he acquired or imported the goods for the purpose of selling them;".

4. Regulation 27 of the Principal Regulations shall be amended as follows—

(*a*) in paragraph (2) after the words "Regulation 25(*a*), (*d*) or (*e*)" in the last line thereof there shall be inserted the words "and that part of the value of any supply which is excluded by Regulation 25(*c*) from any calculation made by a person for the purpose of using a method";

(*b*) in paragraph (3) after the word "paragraph" in line 8 thereof there shall be inserted the words "the input tax attributable to".

(a) 1972 c. 41.
(b) S.I. 1972/1147 (1972 II, p. 3362).
(c) 1889 c. 63.

5. Regulation 29(1) of the Principal Regulations shall be amended by deleting the word "of" in line 3 thereof and substituting the words ", or such other period as the Commissioners may allow, from".

6. Regulation 30(1) of the Principal Regulations shall be amended by deleting the words "not being a manufacturer" in lines 1 and 2 thereof.

7. Regulation 41(*a*) of the Principal Regulations shall be amended by the insertion after the words "for immediate shipment" in the second line thereof, the words "or to an export packer, not being the export house to whom the goods are supplied, for delivery direct to a port, Customs airport or approved inland clearance depot for immediate shipment to the order of the export house".

8. The form numbered 5 in the Schedule to the Principal Regulations shall be deleted and the form numbered 5 in the Schedule to these Regulations substituted therefor.

9. Regulation 46(3) of the Principal Regulations shall be deleted and there shall be substituted therefor the following—

"(3) Except as the Commissioners may otherwise allow, a body corporate acting as a representative member of a group as provided by section 21 of the Act, shall, on or before the 30th September in every year, make a return in the form numbered 5 in the Schedule to these Regulations giving such information as is specified therein.".

10. Regulation 49 of the Principal Regulations shall be amended by deleting the full stop after the word "thereafter" in the last line thereof and adding the words "or in such later period as the Commissioners may allow.".

11. Regulation 50(2) of the Principal Regulations shall be amended by deleting the full stop after the word "thereafter" in the last line thereof and adding the words "or in such later period as the Commissioners may allow.".

12. Regulation 51 of the Principal Regulations shall be amended as follows—

(*a*) after the words "correct it" in line 2 thereof there shall be inserted the words "in such manner and within such time";

(*b*) after the words "may require" in the penultimate line thereof there shall be inserted a full stop and the words "but in no case later than on the return furnished next after its discovery" shall be deleted.

13. Regulation 52(1) of the Principal Regulations shall be amended by deleting "21" in the penultimate line thereof and substituting "30" therefor.

14. Regulation 53 of the Principal Regulations shall be amended as follows—

(*a*) in paragraph (*a*) the words "or sheriff substitute for the county" shall be deleted;

(*b*) in paragraph (*b*) the words "sheriff officers of the county" shall be deleted and the words "sheriff officers of the sheriffdom" substituted;

(*c*) in paragraph (*e*) the word "new" shall be inserted before the word "pence";

(*d*) in paragraph (*g*) the words "of the county, or his substitute," and the words "or sheriff substitute" shall be deleted and the word "new" inserted before the word "pence"; and

(*e*) in paragraph (*h*) the words "or sheriff substitute" shall be deleted.

F. R. Frost,
Commissioner of Customs and Excise.

12th November 1973.

King's Beam House,
Mark Lane,
London EC3R 7HE.

Value Added Tax

RETURN OF

TRADING FIGURES FOR ASSOCIATED BUSINESSES IN A GROUP REGISTRATION

PART A.

Mark an 'X' in this box if all companies in the group registration have the same Trade Classification

Mark an 'X' in this box if the total turnover of all companies in the group registration is less than £1,000,000

H.M. Customs and Excise

VAT Registration number of the representative member of the group.

The registered person named here (i.e. the representative member) should complete and return this form before the 30th September.....

to H M Customs and Excise
Alexander House
21 Victoria Avenue
Southend on Sea
Essex SS99 1AA

A pre-paid envelope for this purpose is enclosed.

PART B.

If you are electing to enter Total Outputs and Total Inputs as on the VAT 100 form mark an 'X' in this box and do not complete Column 9 of Part C.

PART C

1	2	3	4	5	6	7	8	9
Name of Company	Trade Classification	Day, Month and Year of Start of Accounting Period	Day, Month and Year of End of Accounting Period	Enter an 'X' against any member with a turnover less than £250,000	Total turnover or Total Output	Any amount of VAT included in Total turnover figure	Total Purchases or Total Inputs	Total Capital expenditure
Representative member								

Signed .....
*(Director, secretary, or authorised signatory)

Date .....

*Delete as necessary

VAT 101

EXPLANATORY NOTE

(This Note is not part of the Regulations.)

These Regulations amend various provisions of the Value Added Tax (General) Regulations 1972.

Regulations 1 and 2 are formal.

Regulation 3 provides that when a partly exempt person sells an article, and accounts for output tax on his margin in accordance with one of the second-hand goods relief schemes, he may include the whole value of the supply in partial exemption calculations instead of including only the margin. This involves no change of practice, but removes a legal barrier to deduction of input tax in connection with second-hand dealers' overhead expenses.

Regulation 4(*a*) provides that the value of taxable supplies which is excluded from calculations of deductible input tax by partly exempt persons shall also be excluded from calculations for the purpose of deciding whether a partly exempt person may be treated as fully taxable, and therefore entitled to deduct all his input tax, subject to the normal rules. Regulation 4(*b*) provides, for the removal of doubt, that it is the input tax attributable to exempt supplies which is to be disregarded for the purpose of the 5 per cent *de minimis* rule in Regulation 27(3), not the exempt supplies themselves.

Regulation 5 provides that the Commissioners may extend the period within which a newly-registered person may make any claim for relief from value added tax on goods which he acquired or imported before the effective date of his registration. This is to ensure that a person who is registered with effect from a date more than six months in the past will not be debarred from making a claim, on the ground that the time limit has already expired.

Regulation 6 provides that a manufacturer may be regarded as an export house for the purposes of Principal Regulation 41 which provides for the zero-rating of supplies to export houses.

Regulation 7 provides that supplies to export houses under Principal Regulation 41 may be zero-rated notwithstanding that they are delivered to an export packer in the course of exportation.

Regulations 8 and 9 alter the return of trading figures required to be made by the representative member of a registered group of companies to conform to information required already under the Companies Act 1967 (c. 81) and for the return to be made annually.

Regulations 10, 11 and 12 introduce greater flexibility to Regulations 49, 50(2) and 51 of the Principal Regulations dealing respectively with the estimation of output tax and deductible input tax, and with the correction of errors by registered persons.

Regulation 13 provides that distress shall not be levied in respect of an amount due under section 31(*b*) of the Act during the period in which there is a right of appeal against the assessment to a Value Added Tax Tribunal.

Regulation 14 brings various references into line with the provisions of The Sheriff Courts (Scotland) Act 1971 (c. 58) and the terms of section 1(1) of the Decimal Currency Act 1967 (c. 47).

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