STATUTORY INSTRUMENTS

1977 No. 1759

VALUE ADDED TAX

The Value Added Tax (General) Regulations 1977

Made - - - -	31*st October* 1977
Laid before the House of Commons -	10*th November* 1977
Coming into Operation -	1*st January* 1978

The Commissioners of Customs and Excise, in exercise of the powers conferred on them by sections 3(1), (6), (7) and (8), 4(1), (2), (3) and (4), 7(8), 8B(4), 12(7) and (7A), 16(2) and (3), 17(1), 18, 23(2) and (3), 27(3), 30(2), (2A), (3), (4), (5) and (6), 33(3) and (4), 35(1) of, and paragraph 13 of Schedule 1 to, the Finance Act 1972(a) as amended by the Finance Act 1977 (b) and section 18(2) of the Finance (No. 2) Act 1975(c) and of all other powers enabling them in that behalf, hereby make the following Regulations:—

PART I

PRELIMINARY

Citation and commencement

1. These Regulations may be cited as the Value Added Tax (General) Regulations 1977 and shall come into operation on 1st January 1978.

Interpretation

2.—(1) In these Regulations—

"the Act" means the Finance Act 1972 and any reference to a Schedule to the Act includes a reference to a Schedule as amended from time to time by Order of the Treasury;

"Controller" means the Controller, Customs and Excise, Value Added Tax Central Unit;

"the Community" means the European Economic Community;

"prescribed accounting period" means a period as referred to in Regulation 51 of these Regulations;

"proper officer" means the person appointed or authorised by the Commissioners to act in respect of any matter in the course of his duties;

"registered person" means a person registered by the Commissioners under Schedule 1 to the Act, and "registered taxable person" means such a person while he is also a taxable person;

(a) 1972 c. 41. (b) 1977 c. 36. (c) 1975 c. 45.

"registration number" means the number allocated by the Commissioners to a taxable person in the certificate of registration issued to him.

(2) In these Regulations any reference to a form prescribed in Schedule 1 to these Regulations shall include a reference to a form to the like effect which has been approved by the Commissioners.

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

Revocation and Savings

3.—(1) The Value Added Tax (General) Regulations 1975(**b**), the Value Added Tax (General) (Amendment) Regulations 1976(**c**) and the Value Added Tax (General) (Amendment) Regulations 1977 (**d**) are hereby revoked.

(2) In so far as any requirement made or direction or permission given by the Commissioners or anything done under or for the purpose of the Regulations revoked by these Regulations could have been made, given or done under or for the purpose of the corresponding provision of these Regulations it shall not be invalidated by the revocation but shall have effect as if made, given or done under or, as the case may be, for the purpose of that corresponding provision.

(3) Anything begun under or for the purpose of any Regulations revoked by these Regulations may be continued under or, as the case may be, for the purpose of the corresponding provision of these Regulations.

(4) Where any document used or required for the purpose of the tax refers to a provision of a Regulation revoked by these Regulations, such reference shall, unless the contrary intention appears, be construed as referring to the corresponding provision of these Regulations.

(5) The reference to Regulation 46 of the Value Added Tax (General) Regulations 1972 in Regulations 1 and 5 of the Value Added Tax (Supplies by Retailers) Regulations 1972 (**e**) as amended (**f**) shall be a reference to Regulation 51 of these Regulations.

PART II

Registration, Notification and Provisions for Special Cases

Registration and Notification of Changes

4.—(1) Any person who is required under paragraphs 3, 5 or 6 of Schedule 1 to the Act to notify the Commissioners of his liability to be registered or who requests to be registered under paragraph 7 or 11(b) of the said Schedule shall do so on the form numbered 1 in Schedule 1 to these Regulations.

(2) Where the notification referred to in this Regulation is made by a partnership it shall include, on the form numbered 2 in Schedule 1 to these Regulations, the name, address and signature of each partner.

(3) Subject to Regulation 6, where the notification referred to in this Regulation is made for or on behalf of a club, association or organisation, the affairs

(**a**) 1889 c. 63.
(**b**) S.I. 1975/2204 (1975 III, p. 8276).
(**c**) S.I. 1976/1234 (1976 II, p. 3502).
(**d**) S.I. 1977/205 (1977 I, p. 583).
(**e**) S.I. 1972/1148 (1972 II, p. 3387).
(**f**) The amending Regulations are not relevant to the subject matter of these Regulations.

of which are managed by its members or a committee or committees of its members, the person notifying shall also furnish the full name, address and signature of each of three such members.

(4) Every registered person except one to whom paragraph 8, 9 or 10 of Schedule 1 to the Act applies shall, within 21 days after any change has been made in the name, constitution or ownership of his business, or after any other event has occurred which may necessitate the variation of the register or cancellation of his registration, notify the Commissioners in writing of such change or event and furnish them with full particulars thereof.

Notice by partnership

5.—(1) Where any notice is required to be given for the purposes of the Act or these Regulations by a partnership it shall be the joint and several liability of all the partners to give such notice, provided that if a notice is given by one partner this shall be a sufficient compliance with any such requirement.

(2) Where, in Scotland, a body of persons carrying on a business which includes the making of taxable supplies is a partnership required to be registered, any notice shall be given and signed in the manner indicated in section 6 of the Partnership Act 1890(**a**).

Representation of club, association or organisation

6. Where anything is required to be done by or under the Act or these Regulations by or on behalf of a club, association or organisation, the affairs of which are managed by its members or a committee or committees of its members, it shall be the joint and several responsibility of—

(*a*) every member holding office as president, chairman, treasurer, secretary or any similar office; or in default of any thereof

(*b*) every member holding office as a member of a committee; or in default of any thereof

(*c*) every member;

provided that if it is done by any official, committee member or member referred to above, that shall be sufficient compliance with any such requirement.

Death, bankruptcy or incapacity of taxable person

7.—(1) If a taxable person dies or becomes bankrupt or incapacitated, the Commissioners may, from the date on which he died or became bankrupt or incapacitated until some other person is registered in respect of the taxable supplies made or intended to be made by that taxable person in the course or furtherance of his business or the incapacity ceases, as the case may be, treat as a taxable person any person carrying on that business; and the provisions of the Act and of any Regulations made thereunder shall apply to any person so treated as though he were a registered person.

(2) Any person carrying on such business as aforesaid shall, within 21 days of commencing to do so, inform the Commissioners in writing of that fact and of the date of the death or of the nature of the incapacity and the date on which it began.

(**a**) 1890 c. 39.

PART III

TAX INVOICES

Obligation to provide a tax invoice

8.—(1) Save as otherwise provided in these Regulations, or as the Commissioners may otherwise allow, a registered taxable person making a taxable supply to a taxable person shall provide him with a tax invoice.

(2) The particulars of the tax chargeable on a supply of goods described in paragraph 6 of Schedule 2 to the Act shall be provided by the person selling them on a document containing the particulars prescribed in Regulation 9(1); and such a document issued to the buyer shall be treated for the purposes of paragraph (1) of this Regulation as a tax invoice provided by the person by whom the goods are deemed to be supplied in accordance with the said paragraph 6.

(3) Where a registered taxable person provides a document to himself which purports to be a tax invoice in respect of a supply of goods or services to him by another registered taxable person, that document may, with the approval of the Commissioners, be treated as the tax invoice required to be provided by the supplier under paragraph (1) of this Regulation.

(4) Where the supplier of a supply to which Regulation 21 relates gives an authenticated receipt containing the particulars required under Regulation 9(1) to be contained in a tax invoice in respect of it, that document shall be treated as the tax invoice required to be provided under paragraph (1) of this Regulation on condition that no tax invoice or similar document which was intended to be or could be construed as being a tax invoice for the supply to which the receipt relates is issued.

(5) The documents specified in paragraphs (1), (2), (3) and (4) of this Regulation shall be provided within 30 days after the time when the supply is treated as taking place under section 7 of the Act, or within such longer period after that time as the Commissioners may allow in general or special directions.

Contents of tax invoice

9.—(1) Subject to Regulation 10 and save as the Commissioners may otherwise allow, a registered taxable person providing a tax invoice in accordance with Regulation 8 shall state thereon the following particulars—

(*a*) an identifying number;

(*b*) the date of the supply;

(*c*) the name, address and registration number of the supplier;

(*d*) the name and address of the person to whom the goods or services are supplied;

(*e*) the type of supply by reference to the following categories—

(i) a supply by sale,

(ii) a supply on hire purchase or any similar transaction,

(iii) a supply by loan,

(iv) a supply by way of exchange,

(v) a supply on hire, lease or rental,

(vi) a supply of goods made from customer's materials,

(vii) a supply by sale on commission,

(viii) a supply on sale or return or similar terms, or

(ix) any other type of supply which the Commissioners may at any time by notice specify;

(*f*) a description sufficient to identify the goods or services supplied;

(*g*) for each description, the quantity of the goods or the extent of the services, the rate of tax, and the amount payable, excluding tax;

(*h*) the gross total amount payable excluding tax;

(*i*) the rate of any cash discount offered;

(*j*) the amount of tax chargeable at each rate, with the rate to which it relates; and

(*k*) the total amount of tax chargeable.

(2) Where a taxable supply takes place as described in section 7(2)(c) or (5) of the Act, any consignment or delivery note or similar document or any copy thereof issued by the supplier before the time of supply shall not, notwithstanding that it may contain all the particulars set out in paragraph (1) of this Regulation, be treated as a tax invoice provided it is so endorsed.

(3) Where a registered taxable person provides an invoice containing the particulars prescribed in paragraphs (1) and (2) of this Regulation and specifies thereon any goods or services which are the subject of an exempt or zero-rated supply, he shall distinguish on the invoice between the goods or services which are the subject of an exempt, zero-rated or other supply and state separately the gross total amount payable in respect of each.

Retailers' invoices

10.—(1) Subject to paragraph (2) of this Regulation, a registered taxable person who is a retailer shall not be required to provide a tax invoice, except that he shall provide such an invoice at the request of a customer who is a taxable person in respect of any supply to him; but, in that event, if, but only if, the value of the supply, including tax, does not exceed £10, the tax invoice need contain only the following particulars—

(*a*) the name, address and registration number of the retailer;

(*b*) the date of the supply;

(*c*) a description sufficient to identify the goods or services supplied;

(*d*) the total amount payable including tax; and

(*e*) the rate of tax in force at the time of the supply.

(2) Save as the Commissioners may otherwise allow, where a registered taxable person provides an invoice in accordance with this Regulation, the invoice shall include only particulars of supplies which are subject to the same rate of tax and shall not contain any reference to any zero-rated or exempt supply.

General

11. Regulations 8 to 10 shall not apply to—

(*a*) any zero-rated supply;

(*b*) any supply to which an order made under section 3(9) of the Act applies;

(*c*) any supply on which tax is charged although it is not made for consideration;

(*d*) any supply to which an order made under section 14 of the Act applies.

PART IV

TIME OF SUPPLY

Goods for private use and free supplies of services

12.—(1) Where the services referred to in paragraph 5(3) of Schedule 2 to the Act are supplied for any period, they shall be treated as being supplied on the last day of the supplier's prescribed accounting period, or of each such accounting period, in which the goods are made available or used.

(2) Where services specified in an order made by the Treasury under section 6(4) of the Act are supplied for any period, they shall be treated as being supplied on the last day of the supplier's prescribed accounting period, or of each such accounting period, in which the services are performed.

Services from outside the United Kingdom

13. Services which are treated as made by a taxable person under section 8B(2) of the Act shall be treated as being supplied when the supplies are paid for or, if the consideration is not in money, on the last day of the prescribed accounting period in which the services are performed.

Leases treated as supplies of goods

14. Where, pursuant to the provisions of paragraph 4 of Schedule 2 to the Act, the granting of a tenancy or, in Scotland, the lessee's interest under a lease, is treated as a supply of goods and payments with respect thereto are to be made periodically or from time to time, that supply shall be treated as taking place when each payment is received, or a tax invoice relating thereto is issued by the supplier, whichever is the earlier.

Supplies of any form of power, heat, refrigeration or ventilation

15. Supplies such as are described in paragraph 3 of Schedule 2 to the Act shall be treated as taking place whenever a payment is received, or a tax invoice relating to the supply is issued by the supplier, whichever is the earlier.

Supplier's goods in possession of buyer

16.—(1) Where goods are supplied under an agreement whereby the supplier retains the property therein until the goods or part of them are appropriated under the agreement by the buyer and in circumstances where the whole or

part of the consideration is determined at that time, a supply of any of the goods shall be treated as taking place at the earliest of the following dates—

(*a*) the date of such appropriation by the buyer;

(*b*) the date when a tax invoice is issued by the supplier; or

(*c*) the date when a payment is received by the supplier.

(2) If, within 14 days after such appropriation of the goods or part of them by the buyer as is mentioned in paragraph (1) of this Regulation, the supplier issues a tax invoice in respect of goods appropriated, the provisions of section 7(5) of the Act shall apply to that supply.

(3) Paragraph (1) of this Regulation shall not apply to a supply such as is mentioned in section 7(2)(*c*) of the Act.

Retention payments

17. Where any contract for the supply of goods or services after 1st April 1973 provides for the retention of any part of the consideration by one party pending full and satisfactory performance of the contract, or of any part of it, by the other party, a supply shall be treated as taking place whenever a payment is received in respect of it, or a tax invoice is issued by the supplier, whichever is the earlier.

Continuous supplies of service

18.—(1) Subject to paragraph (2) of this Regulation, where services are supplied for any period for a consideration the whole or part of which is determined or payable periodically or from time to time, they shall be treated as being successively supplied for successive parts of the period, and each of the successive supplies shall be treated as taking place when a payment is received, or a tax invoice relating to the supply is issued by the supplier, whichever is the earlier.

(2) Where such services are supplied under an agreement which provides for successive payments and the supplier, at or about the beginning of any period not exceeding 1 year, issues a tax invoice containing the following additional particulars—

(*a*) the date on which each payment is to become due in the period;

(*b*) the amount payable (excluding tax) on each date; and

(*c*) the rate of tax in force at the time of the issue of the tax invoice and the amount of tax chargeable in accordance with that rate on each payment,

they shall be treated as being successively supplied for successive parts of the period of the agreement, and each of the successive supplies shall be treated as taking place when a payment becomes due or is received, whichever is the earlier.

(3) Where, on or before any of the dates of payment specified on an invoice issued as described in paragraph (2) of this Regulation, there is a change in the tax charged on the supply to which the invoice relates, that invoice shall cease to be treated as a tax invoice in respect of any payment due after the change.

Royalties and similar payments

19. Where the whole amount of the consideration for a supply of services was not ascertainable at the time when the services were performed and sub-

sequently the use of the benefit of those services by a person other than the supplier gives rise to any payment of consideration for that supply which is—

(*a*) in whole or in part determined or payable periodically or from time to time or at the end of any period,

(*b*) additional to the amount, if any, already payable for the supply, and

(*c*) not a payment to which Regulation 18 of these Regulations applies,

a further supply shall be treated as taking place each time when a payment in respect of the use of the benefit of those services is received, or a tax invoice is issued by the supplier, whichever is the earlier.

Supplies of services by barristers and advocates

20. Services supplied by a barrister, or, in Scotland, by an advocate, acting in that capacity, shall be treated as taking place at whichever is the earliest of the following times—

(*a*) when the fee in respect of those services is received by the barrister or advocate;

(*b*) when the barrister or advocate issues a tax invoice in respect of them; or

(*c*) the day when the barrister or advocate ceases to practise as such.

Supplies in the construction industry

21. Where services, or services together with goods, are supplied in the course of the construction, alteration, demolition, repair or maintenance of a building or of any civil engineering work under a contract which provides for payments for such supplies to be made periodically or from time to time, a supply shall be treated as taking place at the earlier of the following times—

(*a*) when a payment is received by the supplier where the consideration for the contract is wholly in money; or

(*b*) when the supplier issues a tax invoice.

General

22. Where under this Part of these Regulations a supply is treated as taking place when a tax invoice is issued by the supplier or when any payment is received, tax on that supply shall be chargeable only to the extent covered by the invoice or payment.

PART V

Input Tax

Interpretation

23.—(1) In this Part of these Regulations—

(*a*) "longer period" means any period of not less than one year but less than two years which the Commissioners may approve, ending on 31st March in any year, or on such other date as the Commissioners may approve or direct, except that in the case of a person who ceases to be taxable during such period it shall mean the part of that period ending on the day when he ceases to be taxable; and

(*b*) "method" means any method which is referred to in Regulation 24 and "special method" means a method the use of which may be allowed or directed by the Commissioners pursuant to paragraph (2) of that Regulation.

(2) For the purposes of this Part of these Regulations the input tax of a person who makes both taxable and exempt supplies—

(*a*) is "directly attributed" to one or other of those descriptions of supply to the extent that in using a method it is attributed wholly to supplies of that description; and

(*b*) is "indirectly attributed" to those descriptions of supply if in using a method it is attributed to them on any proportionate basis, and "indirect attribution" shall be construed accordingly.

Attribution of input tax by person making exempt supplies

24.—(1) Subject to paragraph (2) of this Regulation, the proportion of input tax to be provisionally attributed to taxable supplies by any taxable person who makes exempt supplies shall be determined in any prescribed accounting period by either of the following methods—

Method 1

Subject to Regulation 25 he may deduct such part of his input tax as bears the same ratio to his total input tax as the value of taxable supplies by him bears to the value of all supplies by him.

Method 2

Subject to Regulation 25 he may deduct input tax on the supply to him of goods, or paid or payable by him on imported goods, which are shown to the satisfaction of the Commissioners to have been acquired by him for taxable supply by him in the same state and otherwise apply method 1.

(2) The Commissioners may allow or direct the use of a method other than one specified in paragraph (1) of this Regulation.

25. There shall be excluded from any calculation made by any taxable person for the purpose of using a method—

(*a*) all capital sums receivable by him in respect of an exempt supply of the grant, assignment or surrender of an interest in land which he has habitually occupied in the course of carrying on a business;

(*b*) input tax on supplies to him or paid by him on imported goods which is excluded from credit in any order made by the Treasury under section 3(9) of the Act;

(*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(9) of the Act unless he acquired or imported the goods for the purpose of selling them;

(*d*) any sum receivable by him as consideration for an exempt supply such as is mentioned in item 4 of Group 5 of Schedule 5 to the Act except where the person using the method is a person whose business is

wholly or mainly the negotiation, or undertaking of, or the making of arrangements for, transactions such as are mentioned in that item;

(*e*) any sum receivable by him as consideration for an exempt supply of the assignment of a debt;

(*f*) any sum receivable by him as consideration for an exempt supply comprised in item 2 of Group 5 of Schedule 5 to the Act except where the person using the method is a person whose business is wholly or mainly:—

(i) the provision of financial services such as are mentioned in Group 5 of Schedule 5 to the Act, other than those mentioned in paragraph (*e*) of this Regulation, or

(ii) the negotiation of, or the making of arrangements for, transactions such as are mentioned in item 4 of Group 5 of Schedule 5 to the Act, or

(iii) the provision of any insurance, re-insurance or insurance services such, in each case, as is comprised in Group 2 of Schedule 5 to the Act or (except in the case of persons described in the note contained in Group 2 of Schedule 5) in Group 9 of Schedule 4 to the Act.

Adjustment of attribution

26.—(1) Subject to paragraph (3) of this Regulation, and except in the case of a taxable person who for a longer period has not furnished all the returns as required under Regulation 51, the Commissioners or, where the Commissioners have allowed or directed a person to make his own adjustments, that person, shall for each longer period adjust the indirectly attributed input tax deducted by him so as to obtain a fair and reasonable attribution for that period, except that, in the case of a taxable person using a special method, the Commissioners may dispense with the foregoing requirement to adjust.

(2) Where a taxable person in using a special method has, by virtue of Regulation 27, treated all his exempt supplies in a prescribed accounting period as taxable supplies and has attributed input tax directly to those supplies, but for the longer period they are not to be so treated, he shall make an adjustment of his directly attributed input tax for that longer period.

(3) An adjustment under paragraph (1) of this Regulation shall be dispensed with if for the longer period the amount of indirectly attributed input tax deducted by a taxable person does not differ from the amount which would be attributed under that paragraph by more than—

(*a*) an amount equal to 10 per cent of the input tax subject to indirect attribution; or

(*b*) £5,

whichever is the greater:

provided that this paragraph shall not apply if—

(i) the taxable person uses method 1 or method 2 and has elected that it shall not apply; or

(ii) the taxable person uses a special method unless he has elected that the paragraph shall apply; and

any election made under this paragraph shall be in such form and manner and be subject to such conditions as the Commissioners may prescribe and shall be irrevocable for the longer period to which it relates and for the two longer periods next following.

(4) Where for a longer period a taxable person has not furnished all the returns as required under Regulation 51, the Commissioners may adjust the input tax subject to indirect attribution which he has deducted in relation to that longer period so as to achieve a fair and reasonable attribution for that period, but if he subsequently furnishes all the returns an adjustment or re-adjustment shall be made under paragraph (1) of this Regulation.

(5) Any taxable person making an adjustment under paragraph (1) of this Regulation shall determine the input tax which he may deduct for the longer period by calculating the input tax to be indirectly attributed to his taxable supplies in that period according to the method used for the provisional attribution of that tax.

(6) After an adjustment under this Regulation made by the Commissioners any amount due from or to a taxable person shall be notified in writing to that person who, if he disagrees with such amount, shall within 28 days inform the Commissioners in writing of his disagreement and if he does not so inform them within that time the adjustment shall be deemed to be agreed.

(7) Any disagreement notified to the Commissioners under paragraph (6) of this Regulation shall be resolved either by an agreed further adjustment, by agreement that an adjustment can be dispensed with or by the assessed adjustment being confirmed by the Commissioners.

(8) Any amount determined under paragraph (6) or (7) of this Regulation, or in the case of an adjustment made by a person required or allowed to adjust under paragraph (1) or (2) of this Regulation any amount appearing to be due from or to that person as a result of the adjustment, shall be accounted for as the Commissioners may direct.

Treatment of all supplies as taxable

27.—(1) Where, in any prescribed accounting period or in any longer period, a taxable person's only exempt supplies are such that they are excluded by Regulation 25(*a*), (*d*), (*e*) or (*f*) from any calculation for the purpose of using a method, all his supplies in that period shall be treated as taxable supplies.

(2) Subject to paragraph (5) of this Regulation, where, in any prescribed accounting period or in any longer period, the value of a taxable person's exempt supplies amounts to less than either—

(*a*) £100 per month on average; or

(*b*) 5 per cent of the value of all his supplies,

all his supplies in that period shall be treated as taxable supplies.

(3) Subject to paragraph (5) of this Regulation, where, in any prescribed accounting period or in any longer period, the amount of a taxable person's input tax attributable to exempt supplies is less than 5 per cent of the whole of his input tax all his supplies in that period shall, if the Commissioners see fit, be treated as taxable supplies, but save as the Commissioners may otherwise allow this paragraph shall apply only to taxable persons using a special method.

(4) For the purpose of any calculation made under paragraph (2) or (3) of this Regulation there shall be disregarded, as the case may require—

(*a*) any exempt supply excluded by Regulation 25(*a*), (*d*), (*e*) or (*f*) from any calculation made by a taxable person for the purpose of using a method, and any input tax attributable to such a supply; and

(*b*) that part of the value of any supply similarly excluded by Regulation 25(c).

(5) For the purpose of any adjustment under Regulation 26, the provisions of paragraphs (2) and (3) of this Regulation shall not apply unless under those provisions all exempt supplies are to be treated in the longer period as taxable supplies.

(6) Where under paragraph (2) or (3) of this Regulation the treatment as taxable supplies of all the supplies made by a taxable person in any longer period results in an amount of less than £1 being due to him, that amount shall be treated as nil.

Duration of use of a method

28. A taxable person using any method shall—

(*a*) use it for at least two years save as the Commissioners may otherwise allow or direct;

(*b*) if he elects to change from one method to another, make any such change as from 1st April in any year or such other date as the Commissioners may approve.

Exceptional claims for tax relief

29.—(1) Subject to paragraph (2) of this Regulation, if any taxable person makes a claim on the form numbered 3 in Schedule 1 to these Regulations within six months, or such other period as the Commissioners may allow, from the date with effect from which he was registered, supported by such evidence as the Commissioners may require and complying with all the conditions set out in that form, they may authorise him to treat as if it were input tax, tax on the supply of goods to him before that date, or paid by him on imported goods before that date, for the purpose of a business which either was carried on or was to be carried on by him at the time of such supply or payment.

(2) No tax may be treated as input tax under paragraph (1) of this Regulation in respect of goods which had been supplied by the taxable person making the claim before the date with effect from which he was registered or otherwise than is prescribed in this Part of these Regulations.

(3) If a person who has been, but is no longer, a taxable person makes a claim in such manner and supported by such evidence as the Commissioners may require, they may pay to him the amount of any tax on the supply of services to him after the date with effect from which he ceased to be registered, for the purpose of any business carried on by him when he was registered.

PART VI

IMPORTATION, EXPORTATION AND REMOVAL FROM WAREHOUSE

Interpretation

30.—(1) In Regulation 42 "approved inland clearance depot" means any inland premises approved by the Commissioners for the clearance of goods for customs purposes.

(2) In this Part of these Regulations "Community traveller" means a person whose domicile, habitual residence or usual place of business is in a member state of the Community other than the United Kingdom.

(3) For the purposes of Regulation 43 "container" means an article of transport equipment (lift-van, moveable tank or other similar structure):

(*a*) fully or partially enclosed to constitute a compartment intended for containing goods;

(*b*) of a permanent character and accordingly strong enough to be suitable for repeated use;

(*c*) specially designed to facilitate the carriage of goods, by one or more modes of transport, without intermediate reloading;

(*d*) designed for ready handling, particularly when being transferred from one mode of transport to another;

(*e*) designed to be easy to fill and to empty; and

(*f*) having an internal volume of one cubic metre or more.

The term "container" shall include the accessories and equipment of the container, appropriate for the type concerned, provided that such accessories and equipment are carried with the container. The term "container" shall not include vehicles, accessories or spare parts of vehicles, or packaging.

(4) In this Part of these Regulations "domicile or habitual residence" means the place so named in a person's passport, or identity card, or lacking these, any other identity document recognised as valid in the United Kingdom.

(5) In Regulation 42 "export house" means any registered person who in the course of his business in the United Kingdom arranges or finances the export of goods from the United Kingdom.

(6) In Regulations 45, 46, 47 and 48 "goods" does not include motor vehicles, and for the purposes of Regulations 46 and 48 "goods" means any article or group of articles normally supplied as a set.

(7) In Regulations 49 and 50 "manufacturer" means a person who manufactures motor vehicles in the United Kingdom and includes the person nominated by a manufacturer of motor vehicles abroad as his sole agent for the United Kingdom for the purposes of tax-free sales under these Regulations.

(8) In Regulation 40 "motor car" means any motor vehicle of a kind normally used on public roads which has three or more wheels and either—

(*a*) is constructed or adapted solely or mainly for the carriage of passengers; or

(*b*) has to the rear of the driver's seat roofed accommodation which is fitted with side windows or which is constructed or adapted for the fitting of side windows.

(9) The following are not included in the definition of "motor car"—

(*a*) vehicle capable of accommodating only one person or suitable for carrying twelve or more persons;

(*b*) vehicles of not less than three tons unladen weight;

(*c*) caravans, ambulances and prison vans;

(*d*) vehicles of a type approved by the Assistant Commissioner of Police of the Metropolis as conforming to the conditions of fitness for the time being laid down by him for the purposes of the London Cab Order 1934(**a**);

(*e*) vehicles constructed for a special purpose other than the carriage of persons and having no other accommodation for carrying persons than such as is incidental to that purpose.

(10) For the purposes of Regulation 44 "overseas authority" means any country other than the United Kingdom or any part of or place in such a country or the government of any such country, part or place.

(11) In this Part of these Regulations " overseas visitor" means a person who, during the two years immediately preceding the date of the supply mentioned in Regulations 45 and 47 or the date of the application mentioned in Regulation 49, has not been in the United Kingdom for more than 365 days; or, who, for the purposes of Regulation 49, during the six years immediately preceding the date of the application has not been in the United Kingdom for more than 1,095 days.

(12) In Regulations 45, 46, 47 and 48 "ship" includes a hovercraft within the meaning of the Hovercraft Act 1968(**b**).

(13) In Regulation 40 the expression "work of art" applies to any of the following goods—

(*a*) paintings, drawings and pastels, executed by hand;

(*b*) original engravings, prints and lithographs;

(*c*) original sculptures and statuary, in any material.

Exception of application of customs enactments

31. The following provisions of the Customs and Excise Act 1952(**c**), that is to say—

(*a*) section 111 (remission of duty on spirits for use in art or manufacture);

(*b*) section 112 (repayment of duty on spirits for medical or scientific purposes);

(*c*) section 122 (remission of duty on spirits for methylation);

(*d*) sections 137 and 138 (drawback on exportation and warehousing of beer); and

(*e*) section 183 (drawback on tobacco),

shall be excepted from the enactments which are to have effect as mentioned in section 17(1) of the Act.

32. The following Regulations made under section 40 of the Customs and Excise Act 1952, that is to say—

(*a*) The Temporary Importation (Equipment on Hire or Loan) Regulations 1970(**d**); and

(**a**) S.R. & O. 1934/1346 (Rev. XIV, p. 795: 1934 I, p. 1221). (**b**) 1968 c. 59.
(**c**) 1952 c. 44.
(**d**) S.I. 1970/423 (1970 I, p. 1458).

(*b*) The Temporary Importation (Magnetic Tapes) Regulations 1971(**a**),

shall be excepted from the enactments which are to have effect as mentioned in section 17(1) of the Act.

Removal on importation or from warehouse

33. Goods imported by a registered taxable person in the course of a business carried on by him may, with the authority of the proper officer, be delivered or removed without payment of tax provided that—

(*a*) where entry is made, the particulars in the entry include his registration number; or

(*b*) where goods are imported by post and entry is not required to be made, his registration number is shown on the customs declaration attached to or accompanying the package; or

(*c*) in any other case, the Commissioners have permitted the goods to be removed without entry.

34. Goods may, with the authority of the proper officer, be removed from warehouse without payment of tax by a registered taxable person in the course of a business carried on by him provided that the particulars in the entry made on removal include his registration number.

35. Save as the Commissioners may otherwise allow, a registered taxable person to whom Regulation 33 or 34 applies shall account for tax chargeable on goods on their importation or removal from warehouse by him together with any tax chargeable on the supply of goods or services by him in a return furnished by him in accordance with these Regulations for the prescribed accounting period during which the goods were imported or removed from warehouse, as the case may be.

36. If a taxable person fails to comply with Regulation 35, the Commissioners may direct that Regulations 33 and 34 shall not apply to subsequent deliveries and removals by him.

Temporary importations

37.—(1) The Commissioners, having regard to the tax chargeable on the supply of like goods in the United Kingdom, may permit any goods imported otherwise than on hire or loan to be delivered without payment of tax if they are satisfied—

(*a*) that it is intended to re-export the imported goods or goods incorporating them or manufactured or produced from them; and

(*b*) that the provisions of this Regulation and such conditions as may be imposed by the Commissioners are complied with,

and tax shall not be payable so long as they continue to be so satisfied.

(2) The importer shall at the time of importation—

(*a*) produce the goods for examination to the proper officer if so required; and

(**a**) S.I. 1971/1356 (1971 II, p. 3835).

(*b*) deposit such sum of money or give such other security as the proper officer may require to ensure compliance with this Regulation and any conditions imposed thereunder.

(3) Save as the Commissioners may otherwise allow, the goods shall not be used by or supplied to any person in the United Kingdom.

(4) The proper officer may require the goods or any goods incorporating them or manufactured or produced from them to be produced to him at any time.

(5) The importer or other person having charge of the goods shall—

(*a*) keep such records relating to the goods as the proper officer may require;

(*b*) on demand produce those records to the proper officer and furnish him with such information relating to the goods as he may require.

(6) The goods shall be exported within 6 months of the date of importation or within such longer period as the Commissioners may allow.

(7) The importer or other person having charge of the goods shall produce to the proper officer such evidence of exportation as he may require.

38. Where goods are imported, and

(*a*) the Commissioners are satisfied that the goods are on hire or loan to the importer from an overseas supplier; and

(*b*) the proper officer is satisfied that the goods are to be re-exported; and

(*c*) such conditions as the Commissioners may impose are complied with,

the Commissioners may remit such amount of tax as represents the difference between the tax ordinarily payable on importation and such tax as would have been payable had the charge made for the hire or loan been the value of the goods, and may further remit any amount of value added tax that is shown to their satisfaction to have been charged in another member state of the Community in respect of the hiring or loan and not to be eligible for refund in that state: provided that if in their opinion such charge is less than would normally be made or if no charge is made, the Commissioners may assess that value having regard to charges made for the hiring of similar goods for a similar period in the United Kingdom.

Relief on the reimportation of certain goods

39. Subject to such conditions as the Commissioners may impose, the tax chargeable on the importation of goods which have been previously exported from the United Kingdom shall not be payable if the Commissioners are satisfied that—

(*a*) the importer is not a taxable person or, if he is, the goods are imported otherwise than in the course of his business;

(*b*) the goods were last exported by him or on his behalf;

(*c*) (i) the goods were supplied in or imported into the United Kingdom before their export, and any purchase tax or tax due on that supply or importation was paid and neither has been, nor will be, refunded, or

(ii) the goods are imported by the person who made them;

(*d*) the goods were not exported free of tax by reason of the zero-rating provisions of the Act or Regulations made thereunder or free of purchase tax;

(*e*) the goods have not been subject to process or repair abroad other than necessary running repairs which did not result in any increase in the value of the goods; and

(*f*) the goods

(i) were at the time of exportation intended to be reimported, or

(ii) have been returned for repair or replacement or after rejection by an overseas customer or because it was not possible to deliver them to an overseas customer, or

(iii) were in private use and possession in the United Kingdom before they were exported.

40.—(1) Subject to paragraph (2) of this Regulation and to such conditions as the Commissioners may impose, the tax chargeable on the importation of motor cars and works of art which have been previously exported from the United Kingdom shall not be payable if the Commissioners are satisfied that—

(*a*) in the case of a motor car, it was supplied in or imported into the United Kingdom before its export, and any purchase tax or tax due on that supply or importation was paid and neither has been, nor will be, refunded or deducted;

(*b*) in the case of a work of art,

(i) it was exported before 1st April 1973, or

(ii) it was exported after 31st March 1973 by a person who, had he supplied it in the United Kingdom at the date when it was exported, would not have had to account for tax on the full value of such supply.

(2) Where such motor car or work of art has undergone any process or repair abroad it shall be chargeable with tax on reimportation as if the amount of any increase in its value, since its exportation, attributable to the process or repair were its whole value.

Reimportation of goods exported for treatment or process

41.—(1) Subject to paragraph (2) of this Regulation, goods which have been exported from the United Kingdom by or on behalf of the person reimporting them and which have undergone any treatment or process abroad shall, subject to the Commissioners being satisfied as in Regulation 39(a), (c), (d) and (f)(i) or (iii) above, be chargeable with tax on reimportation as if the amount of any increase in the value of the goods, since their exportation, attributable to the treatment or process were the whole value thereof.

(2) Paragraph (1) of this Regulation shall have no application to goods to which subsection (1) of section 18 of the Finance (No. 2) Act 1975(**a**) would apply if the treatment or process abroad were undergone in the United Kingdom and tax was chargeable on their supply.

(a) 1975 c. 45.

(3) For the purpose of this Regulation the reference to section 18 of the Finance (No. 2) Act 1975 shall be read as a reference to that section as it applies having regard to the provisions of any Treasury Order which may be made under subsection (4) of the said section.

Supplies to export houses

42. Where goods are supplied to an export house but are not at any time delivered to the export house in the United Kingdom and—

(*a*) the goods are delivered by the supplier direct to a port, customs airport or approved inland clearance depot for immediate shipment or to an export packer for delivery direct to a port, customs airport or approved inland clearance depot for immediate shipment to the order of the export house; and

(*b*) the goods are exported,

the supply, subject to such conditions as the Commissioners may impose, shall be zero-rated.

Export of freight containers

43. Where the Commissioners are satisfied that a container is to be exported, its supply, subject to such conditions as they may impose, shall be zero-rated.

Supplies to overseas persons

44. Where the Commissioners are satisfied that—

(*a*) goods intended for export have been supplied, otherwise than to a taxable person, to

(i) a person not resident in the United Kingdom;

(ii) a trader who has no business establishment in the United Kingdom from which taxable supplies are made; or

(iii) an overseas authority; and

(*b*) the goods were exported,

the supply, subject to such conditions as they may impose, shall be zero-rated.

Supplies to persons departing from the United Kingdom

45. Where the Commissioners are satisfied that—

(*a*) goods are supplied to, and have been delivered direct to a ship or aircraft on behalf of,

(i) an overseas visitor other than a Community traveller, or

(ii) a person who is a Community traveller or a resident of the United Kingdom and who at the time of supply intended to depart from and remain outside the Community area for a period of at least 12 months; and

(*b*) save as they may allow, the goods were produced to the proper officer on exportation; and

(*c*) the goods were exported in that ship or aircraft or such other ship or aircraft as the Commissioners may allow,

the supply, subject to such conditions as they may impose, shall be zero-rated.

46. Where the Commissioners are satisfied that—

(*a*) goods, the value of which together with tax exceeds £50, are supplied to, and have been delivered direct to a ship or aircraft on behalf of,

(i) a Community traveller who at the time of supply intended that the final destination of the goods should be a member state of the Community, or

(ii) a resident of the United Kingdom who at the time of supply intended to depart from the United Kingdom for a period of at least 12 months and that the final destination of the goods should be a member state of the Community; and

(*b*) the goods were exported,

the supply, subject to such conditions as they may impose, shall be zero-rated.

47.—(1) Where the Commissioners are satisfied that—

(*a*) goods have been supplied to a person who

(i) is an overseas visitor other than a Community traveller, or is a Community traveller who at the time of supply intended to depart from and remain outside the Community area for a period of at least 12 months, and

(ii) at the time of the supply intended to depart from the United Kingdom within 3 months from that date and that the goods should accompany him;

(*b*) the goods were capable of being carried on the person or in the hand baggage of the exporter or, if he intended to depart from the United Kingdom with a motor vehicle, in that vehicle;

(*c*) save as they may allow, the goods were produced to the proper officer on exportation; and

(*d*) the goods were exported,

the supply, subject to such conditions as they may impose, shall be zero-rated.

(2) This Regulation shall not apply to any person who is a member of the crew of any ship or aircraft departing from the United Kingdom.

48.—(1) Where the Commissioners are satisfied that—

(*a*) goods, the value of which together with tax exceeds £50, have been supplied to a Community traveller who, at the time of the supply, intended to depart from the United Kingdom within 3 months from that date, that the goods should accompany him and that the final destination of the goods should be a member state of the Community;

(*b*) the goods were capable of being carried on the person or in the hand baggage of the exporter, or, if he intended to depart from the United Kingdom with a motor vehicle, in that vehicle; and

(*c*) the goods were exported,

the supply, subject to such conditions as they may impose, shall be zero-rated.

(2) This Regulation shall not apply to any person who is a member of the crew of any ship or aircraft departing from the United Kingdom.

49. The Commissioners may, on application by an overseas visitor who intends to depart from the United Kingdom and remain outside the United Kingdom for a period of at least 12 months, permit him to acquire a new motor vehicle from a manufacturer without payment of tax for subsequent export, and its supply, subject to such conditions as they may impose, shall be zero-rated.

50. The Commissioners may, on application by any person who intends to depart from the United Kingdom within 6 months and remain outside the United Kingdom for at least 12 months, permit him to acquire a new motor vehicle from a manufacturer without payment of tax for subsequent export, and its supply, subject to such conditions as they may impose, shall be zero-rated.

PART VII

ACCOUNTING AND PAYMENT

Furnishing of returns

51.—(1) Save as the Commissioners may otherwise allow, every person who is registered or was or is required to be registered shall on the form numbered 4 in Schedule 1 to these Regulations furnish the Controller with a return showing the amount of tax payable by or to him and containing full information in respect of all the other matters specified in the said form, in respect of every period of a quarter, or in the case of a person who is registered every period of 3 months ending on the dates notified either in the certificate of registration issued to him or otherwise, and shall furnish every such return not later than the last day of the month next following the end of the period to which it relates:

provided that—

(*a*) the Commissioners may allow or direct a person to furnish returns in respect of periods of 1 month and to furnish those returns within 1 month of the periods to which they relate;

(*b*) the first return shall be for the period in which occurs the effective date determined in accordance with Schedule 1 to the Act upon which the person was or should have been registered, and the said period shall begin on that date; and

(*c*) where the Commissioners consider it necessary in the circumstances of any particular case to vary the length of any period or the date on which any period begins or ends or by which any return shall be furnished, they may allow or direct any person to furnish returns accordingly, whether or not the period so varied has ended.

(2) Any person to whom the Commissioners give any direction in pursuance of the proviso to paragraph (1) of this Regulation shall comply therewith.

(3) Save 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 Schedule 1 to these Regulations giving such information as is specified therein.

(4) Any person who—

(*a*) ceases to be liable to be registered; or

(*b*) if he is registered under paragraph 7 of Schedule 1 to the Act, ceases to be a taxable person; or

(*c*) being registered pursuant to a request made under paragraph 11(*b*) of Schedule 1 to the Act ceases to be treated as being liable to be registered because his request is withdrawn or the Commissioners decide no longer to act upon it,

shall furnish to the Controller a final return on the form numbered 6 in Schedule 1 to these Regulations and, unless the Commissioners in any case otherwise allow or direct, any such return shall be furnished, in the case of a person who was or is registered, within one month of the effective date for cancellation of his registration, and in the case of any other person within one month of the date upon which he ceases to be liable to be registered, and in either case shall be in respect of the final period ending on the date aforementioned and be in substitution for the return for the period in which such date occurs.

(5) The Commissioners may allow tax chargeable in any period to be treated as being chargeable in such later period as they may specify.

Supplies under Schedule **2**, *paragraph* **6**

52. Where goods are deemed to be supplied by a taxable person by virtue of paragraph 6 of Schedule 2 to the Act, the person selling the goods, whether or not he is registered under the Act, shall within 21 days of the sale—

(*a*) furnish to the Controller a statement showing—

(i) his name and address and, if registered, his registration number,

(ii) the name, address and registration number of the person whose goods were sold,

(iii) the date of the sale,

(iv) the description and quantity of goods sold at each rate of tax, and

(v) the amount for which they were sold and the amount of tax charged at each rate;

(*b*) pay the amount of tax due; and

(*c*) send to the person whose goods were sold a copy of the statement referred to in (*a*) above,

and the person selling the goods and the person whose goods were sold shall exclude from any return which either or both may be required to furnish under these Regulations the tax chargeable on that supply of those goods.

Tax to be accounted for on returns and payment of tax

53. Save as the Commissioners may otherwise allow or direct—

(*a*) any person furnishing a return of tax required by these Regulations shall account therein for all his output tax and all tax for which he is accountable by virtue of Part VI of these Regulations in respect of the period to which the return relates;

(*b*) any person required to furnish a return of tax in accordance with these Regulations shall pay to the Controller such amount of tax as is payable by him in respect of the period to which the return relates not later than the last day on which he is required by these Regulations to make that return.

Estimation of output tax

54. The Commissioners may allow a person to estimate a part of his output tax for any period in cases where they are satisfied that he is not able to account for the exact amount of output tax chargeable in that period, provided that any such estimated amount shall be adjusted and exactly accounted for as tax chargeable in the next period thereafter or in such later period as the Commissioners may allow.

Claims for input tax

55.—(1) Save as the Commissioners may otherwise allow or direct either generally or in particular cases or classes of cases, a person claiming deduction of input tax under section 3(2) of the Act shall do so on the return furnished by him for the prescribed accounting period in which the tax became chargeable and, before so doing, shall, if the claim is in respect of—

(*a*) a supply from another registered person, hold the document which is required to be provided under Regulation 8;

(*b*) a supply under section 8B(1) of the Act, hold the relative invoice from the supplier;

(*c*) an importation of goods, hold a document showing the claimant as importer, consignee or owner and showing the amount of tax due on the goods and authenticated or issued by a proper officer; or

(*d*) goods produced in the United Kingdom which have been removed from warehouse, hold a copy, authenticated by the proper officer, of the document on which an undertaking to account for tax has been given, or, if tax was paid on such removal, the document which evidenced that payment.

(2) The Commissioners may allow a person to estimate a part of his deductible input tax for any period in cases where they are satisfied that he is not able to claim the exact amount to be deducted by him for that period, provided that any such estimated amount shall be adjusted and exactly accounted for as tax deductible in the next period thereafter or in such later period as the Commissioners may allow.

Persons acting in a representative capacity

56. Where any person subject to any requirements under this Part of these Regulations dies or becomes incapacitated and control of his assets passes to another person, being a personal representative, trustee in bankruptcy, receiver, liquidator, or person otherwise acting in a representative capacity, that other person shall, if the Commissioners so require and so long as he has such control, comply with those requirements:

provided that any requirement to pay tax shall only apply to that other person to the extent of the assets of the deceased or incapacitated person over which he has control; and save to the extent aforesaid this Part of these Regulations shall apply to such person, so acting, as if he were the deceased or incapacitated person.

Correction of errors

57. If a person makes an error in accounting for tax or in any return furnished under these Regulations he shall correct it in such manner and within such time as the Commissioners may require.

PART VIII

DISTRESS AND DILIGENCE

Distress

58.—(1) If upon demand made by an authorised person, being a Collector of Customs and Excise or a Senior Executive Officer, a person neglects or refuses to pay tax which he is required to pay under the Act or any Regulation made thereunder, a Collector may distrain on the goods and chattels of that person and by warrant signed by him direct any authorised person to levy such distress, provided that where an amount of tax is due under section 31(6) of the Act no distress shall be levied until 30 days after that amount became due.

(2) For the purpose of levying any such distress an authorised person may after obtaining a warrant for the purpose signed by a Collector of Customs and Excise break open, in the daytime, any house or premises.

(3) A levy or warrant to break open shall be executed by or under the direction of, and in the presence of, the authorised person.

(4) A distress levied by the authorised person shall be kept for 5 days, at the costs and charges of the person neglecting or refusing to pay.

(5) If the person aforesaid does not pay the sum due, together with the costs and charges, within the said 5 days, the distress shall be independently appraised and shall be sold by public auction by the authorised person for payment of the sums due and all costs and charges; and costs and charges of taking, keeping and selling the distress shall be retained by the authorised person, and any surplus remaining after the deduction of the costs and charges and of the sum due shall be restored to the owner of the goods distrained.

Diligence

59. In Scotland, the following provisions shall have effect—

(*a*) Upon certificate made to him by a Collector of Customs and Excise that any tax is due under the Act or under any Regulation made thereunder and has not been paid, the sheriff shall issue a warrant for the recovery of the said tax by poinding the goods and effects of any person entered in the certificate as being a defaulter;

(*b*) The warrant shall be executed by the sheriff officers of the sheriffdom;

(*c*) The goods and effects so poinded shall be detained and kept on the ground, or at the house where the same were poinded, or in such other place of which the owner shall have notice, near to the said ground or house, as the officer so poinding the same shall think proper, for the space of 5 days, during which time the said goods and effects shall remain in the custody of the said officer, and liable to the payment of the whole tax in arrear and to the costs to be paid to the officer who poinded the same as hereinafter directed, unless the owner from whom the same were poinded shall redeem the same, within the said space of 5 days, by payment to the officer of the said tax in arrear and costs, to be settled in the same manner as if the said goods and effects had been sold as hereinafter directed;

(*d*) The goods and effects so poinded shall, after the expiration of the said 5 days, be valued and appraised by any 2 persons to be appointed by the

officer and shall be sold and disposed of, at a sum not less than the value, by the officer who does poind the same;

(*e*) The value shall be applied, in the first place to the satisfaction and payment of the tax owing by the person whose goods are so poinded, and, in the second place, to the payment for the trouble of the officer so poinding, at the rate of 10 new pence per pound of the tax for which the goods shall be so poinded unless the owner from whom the same were poinded shall redeem the same by payment of the appraised value, within the space of 5 days after the valuation, to the officer who poinded the same;

(*f*) In case any surplus remains of the price or value, after payment of the said tax, and after payment of what is allowed to be retained by the officer in manner herein directed, such surplus shall be returned to the owner from whom the goods were poinded;

(*g*) In case no purchaser appears at the said sale, then the said goods and effects, so poinded, shall be consigned and lodged in the hands of the sheriff and if not redeemed by the owner within the space of 5 days after the consignment in the hands of the said sheriff, the same shall be rouped, sold, and disposed of by order of the sheriff, in such manner, and at such time and place, as he shall appoint, he always being liable to the payment of the tax to the authorised person, and to payment to the officer who shall have poinded the same, for his trouble and expense, as before stated and to the fees due to the officer, and being, in the third place, entitled to 5 new pence per pound of the value of the goods so disposed of, for his own pains and trouble, after preference and allowance of the said tax, and of what is appointed to be paid to the officer for his trouble;

(*h*) There shall also be allowed, to the officer so poinding, the expense of maintaining or preserving the said goods and effects from the time of poinding the same, during the period allowed to the owner to redeem them, and also the expense of the sale; and in like manner the expense shall be allowed to the sheriff for maintaining or preserving the goods poinded, during the period that the owner is allowed to redeem, after consignment in his hands, and until the sale thereof, and also the expense of the sale;

(*i*) Every auctioneer, or seller by commission, selling by auction, in Scotland, any goods or effects whatsoever by any mode of sale at auction, shall, at least 3 days before he begins any sale by way of auction, deliver or cause to be delivered to the authorised person a notice in writing, signed by such auctioneer or seller by auction, specifying therein the particular day when such sale is to begin, and the name and surname of the person whose goods and effects are to be sold, with his place of residence.

PART IX.

MISCELLANEOUS

60. Any person who, in pursuance of section 18(2) of the Finance (No. 2) Act 1975(**a**), certifies that a supply is for the purpose of a business carried on or

(**a**) 1975 c. 45.

to be carried on by him shall do so in the appropriate form (A, B or C as the case may be) as set out in Schedule 2 hereto.

C. FREEDMAN

Commissioner of Customs and Excise

31st October 1977

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

SCHEDULE 1 Regulation 4(1)

Form No. 1

Notification of Liability to be Registered for Value Added Tax

SECTION A. PERSON TO BE REGISTERED

1. Full name of person or body to be registered .....

2. Trading name if different .....

3. Status of person or body to be registered ..... Certificate number of Incorporated Company .....
Date of incorporation .....

4. Address .....
Postcode ..... Telephone number .....

5. Address of principal place of business if different from 4. .....
Postcode ..... Telephone number .....

6. Nature of your business ..... Trade classification [ ]

SECTION B. PERSON MAKING TAXABLE SUPPLIES

If you are at present making taxable supplies you must complete this section and include particulars of all your businesses. If you are not yet making taxable supplies please delete this section.

7. (a) On what date did your business start? .....
(b) Was your business transferred to you by someone else as a going concern? *Yes/No
(c) Is your total taxable turnover in the next twelve months likely to exceed the limit above which you are liable to be registered? *Yes/No
(d) Has your total taxable turnover in the past quarters exceeded the limits for registration? *Yes/No
(e) What was your total taxable turnover in the last four calendar quarters?
Quarter ended ..... Amount £ ..... Quarter ended ..... Amount £ .....
Quarter ended ..... Amount £ ..... Quarter ended ..... Amount £ .....

8. If you are not liable to be registered but wish to be registered please give reasons in an accompanying letter. Otherwise please delete this item 8.

9. If you wish to be exempted from registration please give reasons in an accompanying letter. Otherwise please delete this item 9.

SECTION C. PERSON NOT YET MAKING TAXABLE SUPPLIES

10. If although you are not yet making taxable supplies you intend to do so and wish to be registered before you start making them please give reasons in an accompanying letter. Otherwise please delete this section.

SECTION D. ACCOUNTING PARTICULARS

You must complete this section unless you are applying to be exempted from registration (see items 9 and 18(b)). If you are applying to be exempted please delete this section.

11. What do you expect your approximate total taxable turnover to be in the next twelve months? £ .....

12. If you expect to make any exempt supplies please enter the estimated value for the next twelve months. £ .....

13. If you expect your deductible input tax to exceed your output tax regularly:
    (a) give your reasons here (e.g. exporter) .....
    (b) enter the estimated value of your zero-rated outputs in the next twelve months, and £ .....
    (c) tick the box if you wish to make monthly returns ☐

14. Are your VAT accounts to be kept on a computer? *Yes/Partly/No

15. If you intend to pay VAT: by means of credit transfer through Bank Giro or National Giro, tick the appropriate box ☐ Bank Giro ☐ National Giro

16. Enter for VAT repayment purposes
    EITHER
    your Bank sorting code No. and your Bank account No. Bank Sorting Code No. ☐☐☐☐☐☐ Bank Account No. ☐☐☐☐☐☐☐☐
    OR
    your National Giro account number National Giro Account No. ☐☐☐☐☐☐☐☐☐

17. (a) List in order the identifying numbers of the VAT Notices you hold
    No. Date No. Date
    No. Date No. Date .....
    No. Date No. Date .....
    (b) List in order the identifying numbers of any other VAT Notices you require ☐☐☐☐☐☐☐

SECTION E. APPLICATION

You must complete this section if item 8, 9 or 10 applies. Otherwise please delete this section.

18. I apply for the person or body named at 1. to be
    *(a) treated exceptionally as liable to be registered
    *(b) exempted from registration
    *(c) registered before taxable supplies commence

SECTION F. DECLARATION

You must complete this section

19. I (full name of signatory in BLOCK LETTERS) ..... declare that the particulars and statements in this form *the accompanying letter and *the details of partners' names and addresses on the attached Form VAT 2 signed by them *details of three members' names and addresses on the attached Form VAT 2/letter signed by them, are true and complete.

Signed ..... Dated .....

FORM NO. 2

Regulation 4(2)

Value Added Tax

Notification of Liability to be Registered for Value Added Tax

---

Full name .....

Address including postcode .....

.....

.....

Signature ..... **Date** .....

Full name .....

Address including postcode .....

.....

.....

Signature ..... **Date** .....

Full name .....

Address including postcode .....

.....

.....

Signature ..... **Date** .....

Regulation 29(1)
FORM NO. 3

Value Added Tax

Claim for Relief

Tax paid goods on hand at registration

1. At the time when his registration takes effect a taxable person may have on hand goods which have borne VAT. If so, he will not in the normal way be able to claim deduction of the tax but authority to make a special deduction will be considered provided that he:
   (a) can produce the relevant invoice(s) from which the tax on the goods can be calculated; or
   (b) imported the goods himself, or paid VAT on their removal from warehouse, before the date of his registration and can produce satisfactory evidence of tax payment.
2. A taxable person who wishes to claim relief must complete this form and send it to the Customs and Excise VAT office named in his certificate of registration, together with the suppliers' invoice(s) and/or the import or ex-warehouse documents on which the claim is based. The claim may cover stock, materials and capital goods. Tax paid on services supplied before the effective date of registration cannot be claimed.
3. Claims must be made not later than six months after the effective date of registration or three months after the issue of the registration certificate, save as the Commissioners may in a particular case allow.
4. The claimant must also compile a stock account (if one is not already in existence) and preserve it for official inspection when requested. Where any of the goods have been used in making other goods, the making-up records, showing quantities used, must also be available. In addition the account must show separately, for each of the quantities of goods declared in columns (2) and (3) below, the date and manner of subsequent disposal.
5. If relief is allowed a claimant who makes only taxable supplies will be authorised in writing to take credit for the amount as deductible input tax in his VAT account. Credit must not be taken until this authorisation is received. If the claimant makes exempt supplies he may not be entitled to claim deduction of the whole amount authorised, and he should read Notice No. 706 (Partial exemption) to see how deductible input tax can be calculated.
6. The claim must be signed by the claimant himself (if an individual), by a partner in the case of a partnership, by a director or the secretary in the case of an incorporated company, or by a person authorised in writing by one of them. The status of the signatory must be shown at the foot of the declaration overleaf. Failure to comply with the directions and conditions set out on this form may invalidate the claim for relief.

Name and address of taxable person making claim

Registration number

Effective date of Registration

19

Description of goods on which relief is claimed (1)	Quantities on hand on the effective date of registration: In the same state (2)	Quantities on hand on the effective date of registration: Already used in making other goods which are still on hand (3)	Name and address of taxable person who supplied the goods OR Place of importation or name of warehouse, if goods were imported or removed from bonded warehouse by the claimant (4)	Date of supplier's invoice or number and date of import entry or warehouse warrant (5)	Amount of tax on the actual quantities on hand (columns (2) and (3)) calculated from the relevant invoices, import documents or warehouse warrants (6)
					£

continued overleaf

Description of goods on which relief is claimed (1)	Quantities on hand on the effective date of registration: In the same state (2)	Quantities on hand on the effective date of registration: Already used in making other goods which are still on hand (3)	Name and address of taxable person who supplied the goods OR Place of importation or name of warehouse, if goods were imported or removed from bonded warehouse by the claimant (4)	Date of supplier's invoice or number and date of import entry or warehouse warrant (5)	Amount of tax on the actual quantities on hand (columns (2) and (3)) calculated from the relevant invoices, import documents or warehouse warrants (6) £
If there is insufficient space on the form, continuation sheets may be used, provided they show the required details and are signed by the signatory to the claim.				Brought forward from continuation sheet(s)	
				TOTAL CLAIMED	

Declaration by the Signatory

I, ... declare that:
(Full name of signatory in BLOCK CAPITALS)

(i) the information above and on the *(insert the number)* continuation sheet(s) forms a true account of the goods which have borne VAT remaining on hand on and of the tax paid on their supply or importation.
(effective date of registration)

(ii) the attached *documents relate to the goods on hand.

Date . . Signed

Status of Signatory

**Insert number of documents attached to the claim.*

(See note 6 overleaf)

FOR OFFICIAL USE

Received—Office date stamp	Verified; satisfied.	Examined, satisfied.
		Credit of £ provisionally authorised
		Form VAT 422 issued.
		Officer
		Date
		Documents returned to claimant
	Officer	Initials
	Date	Date

Regulation 51(1)

FORM NO. 4

RETURN OF VALUE ADDED TAX

For the period
from to
These dates must not be altered without the agreement of Customs and Excise

Registration No. _____ Period No. _____

Please quote this Registration No. and Period No. in all correspondence about this return.

The person named here must complete and return the form to the Controller, VAT Central Unit, HM Customs and Excise, Alexander House, 21 Victoria Ave., SOUTHEND-ON-SEA X.

not later than

Tax payable must be paid by the same date, by remittance enclosed with this form or by National or Bank Giro

Any changes in registration particulars must be advised separately and promptly, in writing, to the local VAT Office, NOT the VAT Central Unit.

PART A. Account of tax payable or repayable.

This part must be completed in all cases. Please complete all boxes, writing "NONE" where there is no amount to be entered.

		£	p
TAX DUE for this period on OUTPUTS (sales etc)	at the standard rate s		
	at rate a a		
	at rate b b		
(Total of boxes s, a and b)	**TOTAL OUTPUT TAX** 1		
Tax due on imported goods, goods from bonded warehouse, and services received from abroad.	2		
Underdeclarations and/or underpayments of tax in previous periods notified in writing by Customs and Excise (See Note to box 3)	3		
Other underdeclarations made on previous returns	4		
(Total of boxes 1, 2, 3 and 4)	**TOTAL TAX DUE** 5		
TAX DEDUCTIBLE for this period on INPUTS (purchases etc)	6 (Partly exempt persons should also see box 24)		
Overdeclarations and/or overpayments of tax in previous periods notified in writing by Customs and Excise (See Note to box 7)	7		
Other overdeclarations made on previous returns	8		
(Total of boxes 6, 7 and 8)	9 **TOTAL TAX DEDUCTIBLE**		
(Difference between boxes 5 and 9)	10 **NET TAX FOR THE PERIOD** Payable or Repayable		

PAYABLE to Customs and Excise. If box 5 is greater than box 9, tick box P. P ☐

REPAYABLE by Customs and Excise. If box 9 is greater than box 5, tick box R. R ☐

METHODS OF PAYMENT to Customs and Excise *Please tick the appropriate box*

National Giro ☐ Bank Giro ☐ Remittance enclosed ☐

In your own interests you should not send notes, coin or uncrossed postal orders through the post.

Part B. Value of outputs and inputs (excluding any Value Added Tax)

This part must be completed in all cases. Please complete all the boxes, writing **"NONE"** *where there is no amount to be entered. Pence should be disregarded.*

			Pounds only	
OUTPUTS (sales, etc.): **(Enter values exclusive of Value Added Tax)**	Value of outputs chargeable at the standard rate, rate a and rate b	11		00
	Value of exports	12		00
	Value of zero-rated taxable outputs (other than exports in box 12)	13		00
	Total value of taxable outputs (total of amounts in boxes 11, 12 and 13)	14		00
	Value of exempt outputs (if you insert an amount here, see Part D)	15		00
	Total value of outputs (total of amounts in boxes 14 and 15)	16		00
INPUTS (purchases, etc.):	Value (excluding Value Added Tax) of total taxable inputs, including zero-rated inputs	17		00

PART C. Retailers' special schemes

This part must be completed by any person who has used any of the special schemes for retailers—see Notice No. 727

Show the scheme(s) you have used by ticking the box(es) below the appropriate letter(s)

Scheme	A	B	C	D	E	F	G	H	J	K	L	M
18												

PART D. Partly exempt persons: calculation of deductible input tax

Except as explained in the notes, this part must be completed by all persons with exempt outputs. It should **NOT** *be completed by any other persons.*

			£	p
Enter 1, 2 or 3 in this box to show which method you have used		19		
Amount of any input tax wholly attributable to taxable supplies		20		
Amount of input tax partly attributable to taxable supplies	21			
Percentage used to attribute input tax $\left(\frac{\text{box 14} \times 100}{\text{box 16}}\right)$	22		%	
That part of the amount in box 21 which is deductible for the period $\left(\frac{\text{box 21} \times \text{box 22}}{100}\right)$		23		
Total deductible input tax for the period (total of amounts in boxes 20 and 23). (Enter this total also in box 6 overleaf)		24		

PART E. Declaration by the signatory

This part must be completed by or on behalf of the person named overleaf.

I, ...

(full name of signatory in BLOCK CAPITALS)

declare that (i) the information given in this return is true and complete in respect of all business or businesses carried on by the person named overleaf (except in so far as he is separately registered if so required) and, *any changes listed in Notice No. 700 (Section II, last paragraph) occurring in the period covered by the return have been notified in writing to the local VAT office.*

(ii) the amounts shown as deductible input tax in this return relate to tax which may be deducted by virtue of sections 3 and 4 of the Finance Act 1972 and Regulations made under those sections and I claim deduction of input tax accordingly.

(iii) where I have used any of the retailers' special schemes I have complied with Notice No. 727.

Signed .....

Date .....

Regulation 51(3)
FORM NO. 5

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. ☐

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. ☐

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 HM Customs and Excise
Alexander House
21 Victoria Avenue
Southend on Sea
Essex SS99 1AA

PART C.

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

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

Date .....
**Delete as necessary.*

Regulation 51 (3)

FORM NO. 6
Final Return of Value Added Tax

Regulation 51(4)

FINAL RETURN OF VALUE ADDED TAX

For the period
from to
These dates must not be altered without the agreement of Customs and Excise

LVO Code No. | Registration No. | Period No.

The person named here must complete and return the form to the Controller, VAT Central Unit, HM Customs and Excise, Alexander House, 21 Victoria Ave., SOUTHEND-ON-SEA X.

not later than

Tax payable must be paid by the same date, by remittance enclosed with this form or by National or Bank Giro

Any changes in registration particulars must be advised separately and promptly, in writing, to the local VAT Office, NOT the VAT Central Unit.

PART A. Account of tax payable or repayable.

This part must be completed in all cases. Please complete all boxes, writing "NONE" where there is no amount to be entered.

		£ p
TAX DUE for this period on OUTPUTS (sales etc) (including tax on stocks and assets—see declaration (iv) in Part E)	at the standard rate s	
	at rate a a	
	at rate b b	
(Total of boxes s, a and b)	**TOTAL OUTPUT TAX** 1	
Tax due on imported goods, goods from bonded warehouse, and services received from abroad.	2	
Underdeclarations and/or underpayments of tax in previous periods notified in writing by Customs and Excise (See Note to box 3)	3	
Other underdeclarations made on previous returns	4	
(Total of boxes 1, 2, 3 and 4)	**TOTAL TAX DUE** 5	
TAX DEDUCTIBLE for this period on INPUTS (purchases etc)	6 (Partly exempt persons should first see Part D)	
Overdeclarations and/or overpayments of tax in previous periods notified in writing by Customs and Excise (See Note to box 7)	7	
Other overdeclarations made on previous returns	8	
(Total of boxes 6, 7 and 8)	9 **TOTAL TAX DEDUCTIBLE**	
(Difference between boxes 5 and 9)	10 **NET TAX FOR THE PERIOD** Payable or Repayable	

PAYABLE to Customs and Excise. If box 5 is greater than box 9, tick box P. P ☐

REPAYABLE by Customs and Excise. If box 9 is greater than box 5, tick box R. R ☐

METHODS OF PAYMENT to Customs and Excise *Please tick the appropriate box*

National Giro ☐ Bank Giro ☐ Remittance enclosed ☐

In your own interests you should not send notes, coin or uncrossed postal orders through the post.

Part B. Value of outputs and inputs (excluding any Value Added Tax)

This part must be completed in all cases. Please complete all the boxes, writing **"NONE"** *where there is no amount to be entered. Pence should be disregarded.*

			Pounds only
OUTPUTS (sales, etc.): **(Enter values exclusive of Value Added Tax)**	Value of outputs chargeable at the standard rate, rate a and rate b (including value of stock and assets)	11	00
	Value of exports	12	00
	Value of zero-rated taxable outputs (other than exports in box 12)	13	00
	Total value of taxable outputs (total of amounts in boxes 11, 12 and 13)	14	00
	Value of exempt outputs (if you insert an amount here, see Part D)	15	00
	Total value of outputs (total of amounts in boxes 14 and 15)	16	00
INPUTS (purchases, etc.):	Value (excluding Value Added Tax) of total taxable inputs, including zero-rated inputs	17	00

PART C. Retailers' special schemes

This part must be completed by any person who has used any of the special schemes for retailers—see Notice No. 727

Show the scheme(s) you have used by ticking the box(es) below the appropriate letter(s)

Scheme	A	B	C	D	E	F	G	H	J	K	L	M
18												

PART D. Partly exempt persons: calculation of deductible input tax

Except as explained in the notes, this part must be completed by all persons with exempt outputs. It should **NOT** *be completed by any other persons.*

			£	p
Enter 1, 2 or 3 in this box to show which method you have used		19		
Amount of any input tax wholly attributable to taxable supplies	£ p	20		
Amount of input tax partly attributable to taxable supplies	21			
Percentage used to attribute input tax $\left(\frac{\text{box 14} \times 100}{\text{box 16}}\right)$	22	%		
That part of the amount in box 21 which is deductible for the period $\left(\frac{\text{box 21} \times \text{box 22}}{100}\right)$		23		
Total deductible input tax for the period (total of amounts in boxes 20 and 23). (Enter this total also in box 6 overleaf)		24		

PART E. Declaration by the signatory

This part must be completed by or on behalf of the person named overleaf

I,

(full name of signatory in BLOCK CAPITALS)

declare that (i) the information given in this return is true and complete in respect of all business or businesses carried on by the person named overleaf (except in so far as he is separately registered if so required) and, *any changes listed in Notice No. 700 (Section II, last paragraph) occurring in the period covered by the return have been notified in writing to the local VAT office.*

(ii) the amounts shown as deductible input tax in this return relate to tax which may be deducted by virtue of sections 3 and 4 of the Finance Act 1972 and Regulations made under those sections and I claim deduction of input tax accordingly.

(iii) where I have used any of the retailers special schemes I have complied with Notice No. 707 or Notice No. 727, as appropriate.

(iv) the total tax due due as stated in this return includes the amount of £ representing tax due on all goods in stock or forming part of the assets of the business (including capital goods) at the close of business on . .

Signed ..

Date

SCHEDULE 2

Regulation 60

CERTIFICATES OF BUSINESS SUPPLIES

A. INDIVIDUAL CERTIFICATE

To be kept with the relevant copy tax invoice

Section 18, Finance (No. 2) Act 1975

I..... (name and address of customer) am registered for VAT under No..... and certify that all the work to be performed by you.....(name and address of supplier) in accordance with Order No. ..... dated..... is solely for the purpose of the business carried on or to be carried on by me.

.....(Signatory)

.....(Status)

.....(Date)

B. INDIVIDUAL CERTIFICATE

To be used printed or stamped on an order

Section 18, Finance (No. 2) Act 1975

I.....(name and address of customer) am registered for VAT under No..... and certify that all the work to be performed in accordance with this order is solely for the purpose of a business carried on or to be carried on by me.

.....(Signatory)

.....(Status)

C. GENERAL ANNUAL CERTIFICATE

To be used by a trader who has a regular trading relationship with a taxable supplier

Section 18, Finance (No. 2) Act 1975

I.....(name and address of customer) am registered for VAT under No..... and certify that, unless I notify you in writing to the contrary, all the work to be performed by you.....(name and address of supplier), registered for VAT under No....., to my order within twelve months of the date of this certificate is solely for the purpose of a business carried on by me.

.....(Signatory)

.....(Status)

.....(Date)

EXPLANATORY NOTE

(This Note is not part of the Regulations.)

These Regulations consolidate, with certain amendments, the Value Added Tax (General) Regulations 1975, the Value Added Tax (General) (Amendment) Regulations 1976 and the Value Added Tax (General) (Amendment) Regulations 1977, which are revoked. Regulation 3, paragraph (4) provides that references in tax documents to provisions in the revoked Regulations shall, unless the contrary intention appears, be construed as referring to the corresponding provisions of these Regulations.

Regulation 8 has been amended to specify the time limit within which tax invoices or documents treated as such have to be provided.

The former Regulation 10 becomes 9(3), and the former Regulations 11 and 12 become 10 and 11 respectively.

Regulation 11(*c*) (formerly 12(*c*)) is extended to include supplies of goods and services when tax must be charged but there is no consideration.

Regulation 12 defines the time of supply of goods which are held for the purpose of a business but which are used or made available for any other purpose, and of services which are chargeable although not done for consideration.

The former Regulations 13 and 14(1) and (2) have been cancelled.

The new Regulation 13 defines the time of supply of those services which are received from outside the United Kingdom but which are treated under section 8B of the Act as being made by a taxable person.

The former Regulation 22(2) becomes Regulation 18(3).

Regulation 25(*f*) has been amplified to provide that all persons not primarily concerned with the supply of financial or insurance services may exclude any sum receivable as consideration for exempt supplies of credit or credit facilities from their partial exemption calculations.

Regulation 29 has been extended to provide for payment to a person who has been deregistered of the tax on services supplied to him for the purpose of his former taxable business.

Regulation 38 has been amended to allow remission of tax charged in another Member State and not eligible for refund.

Regulation 39, paragraph (*e*) has been amended to allow minor running repairs to be made abroad.

Regulation 40, paragraph (*a*) has been amended to include imported motor cars.

Regulation 55 has been extended to prescribe the documentary evidence required in support of claims for deduction of input tax.

Minor amendments have been made in Regulations 4(3), 6 and 7 to accord with the restatements of value added tax contained in Schedule 6 of the Finance Act 1977.

Further minor amendments have been made in Regulations 14, 15, 17, 18, 19, 25(*b*), (*c*), (*d*), (*e*), 29(1), 31(*e*), 44, 45, 46, 47 and 48, either for greater clarity or for consistency with enabling or other statutory provisions.

Form No. 1 in Schedule 1 has been amended mainly to include information at present called for by a suplementary questionnaire.

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