

1986 No. 385

COMPANIES

**The Administrative Receivers (Value Added Tax Certificates)
Rules 1986**

<i>Made</i> - - - - -	27th February 1986
<i>Laid before Parliament</i>	10th March 1986
<i>Coming into Operation</i>	1st April 1986

The Lord Chancellor, in exercise of his powers under section 106 of the Insolvency Act 1985(a), with the concurrence of the Secretary of State and after consulting the committee existing for that purpose under section 226 of the Insolvency Act 1985, hereby makes the following Rules:—

Citation and commencement

1.—(1) These Rules may be cited as the Administrative Receivers (Value Added Tax Certificates) Rules 1986 and shall come into force on 1st April 1986.

(2) In these Rules references to “the 1983 Act” are to the Value Added Tax Act 1983(b).

Application of these Rules

2. These Rules apply to a company for the purposes of section 22 of the 1983 Act where a person is appointed to act as its administrative receiver except where such a person is appointed under section 467 of the Companies Act 1985(c) (power to appoint receivers under the law of Scotland).

Issue of certificate of insolvency

3. In accordance with this Rule, it is the duty of the administrative receiver to issue a certificate in the terms of paragraph (b) of section 22(3) of the 1983 Act (which specifies the circumstances in which a company is deemed insolvent for the purposes of the section) forthwith upon his forming the opinion described in that paragraph.

Form of certificate

4.—(1) There shall in the certificate be specified:—

- (a) the name of the company and its registered number;
- (b) the full name of the administrative receiver and the date of his appointment as such; and
- (c) the date on which the certificate is issued.

(a) 1985 c. 65.

(b) 1983 c. 55, as amended by section 32 of the Finance Act 1985 (c. 54).

(c) 1985 c. 6.

(2) The certificate shall be intitled "CERTIFICATE OF INSOLVENCY FOR THE PURPOSES OF SECTION 22(3)(b) OF THE VALUE ADDED TAX ACT 1983".

Notification to creditors

5.—(1) Notice of the issue of the certificate shall be given by the administrative receiver within 3 months of his appointment or within 2 months of issuing the certificate, whichever is the later, to all of the company's unsecured creditors of whose address he is then aware and who have, to his knowledge, made supplies to the company, with a charge to value added tax, at any time before his appointment.

(2) Thereafter, he shall give the notice to any such creditor of whose address and supplies to the company he becomes aware.

(3) He is not under obligation to provide any creditor with a copy of the certificate.

Preservation of certificate with company's records

6. The certificate shall be retained with the company's accounting records, and section 222 of the Companies Act 1985 (where and for how long records are to be kept) applies to the certificate as it applies to those records.

Hailsham of St. Marylebone, C.

Dated 24th February 1986.

I concur

Michael Howard,
Parliamentary Under Secretary of State,
Department of Trade and Industry.

Dated 27th February 1986.

EXPLANATORY NOTE

(This Note does not form part of the Rules.)

These Rules make provision in relation to England and Wales for the administrative receiver of a company to issue certificates under section 22 of the Value Added Tax Act 1983. That section enables an unpaid creditor of a company who has accounted for value added tax charged on the debt claimed from the company to claim a refund of the tax paid following the issue of a certificate by the administrative receiver that the assets of the company, in his opinion, would be insufficient to cover the payment of any dividend in respect of debts which are neither secured nor preferential.

SI 1986/385

SI 1986/385
ISBN 0-11-066385-3



780110 663852