### STATUTORY INSTRUMENTS

## 1997 No. 2542

## VALUE ADDED TAX

# The Value Added Tax (Payments on Account) (Appeals) Order 1997

Approved by the House of Commons

Made - - - - 27th October 1997
Laid before the House of
Commons - - - - 27th October 1997
Coming into force - - 1st December 1997

The Treasury, in exercise of the powers conferred on them by section 28(2AA) of the Value Added Tax Act 1994(1) and of all other powers enabling them in that behalf, hereby make the following Order:

- **1.** This Order may be cited as the Value Added Tax (Payments on Account) (Appeals) Order 1997 and shall come into force on 1st December 1997.
- **2.** In section 83 of the Value Added Tax Act 1994 (appeals), after paragraph (f) there shall be inserted the following paragraph—
  - "(fa) a decision contained in a notification under paragraph (4) of article 12A of the Value Added Tax (Payments on Account) Order 1993 that an election under paragraph (1) of that article shall cease to have effect;".(2)

Bob Ainsworth
Graham Allen
Two of the Lords Commissioners of Her
Majesty's Treasury.

27th October 1997

<sup>(1) 1994</sup> c. 23; section 28(2AA) was inserted by section 43 of the Finance Act 1997 (c. 16).

<sup>(2)</sup> S.I.1993/2001; the relevant amending instrument is S.I. 1996/1196.

### **EXPLANATORY NOTE**

(This note is not part of the Order)

This Order amends, with effect from 1st December 1997, section 83 of the Value Added Tax Act 1994 (c. 23) (appeals).

Article 12A of the Value Added Tax (Payments on Account) Order 1993 ("the principal Order") gives persons in the scheme the right to elect to pay their actual VAT liability for the preceding month rather than the predetermined amount. For example, a payment on account under an election, due on 28 February, would represent the actual liability for January rather than one twenty-fourth of the liability in the reference year which normally determines the amount to be paid. The election must be notified in writing to the Commissioners. The Commissioners may revoke the election if the correct amount is not paid.

Article 2 of this Order gives a right of appeal to a VAT and Duties tribunal against a decision of the Commissioners to revoke an election under article 12A of the principal Order.