
EXPLANATORY NOTE

(This note is not part of the Order)

Regulations 1, 2, 3, 4 and 5 of these Regulations come into force on 1st September 2007. The remaining Regulations come into force on 1st October 2007. The Regulations amend regulation 6 and Part 3 of the Value Added Tax Regulations 1995 (S.I. 1995/2518) (“the VAT Regulations”). Regulation 6 of the VAT Regulations relates to the transfer of a business as a going concern. Part 3 of the VAT Regulations relates to VAT invoices and other invoicing requirements.

Regulations 3, 4 and 5 amend regulation 6(1), (3) and (4) of the VAT Regulations to clarify that where reference is made to the transfer of a business as a going concern, it includes the transfer of a part of a business.

Regulation 4 also amends regulation 6(3) of the VAT Regulations to require that where the transferee is allocated the registration number of the transferor, the records are passed to, and shall be preserved by, the transferee, unless the Commissioners, at the request of the transferor, direct otherwise.

Regulation 6 amends regulation 13 of the VAT Regulations (obligation to provide a VAT invoice) to make it a requirement that a registered person issues a VAT invoice whenever he makes a business to business supply to a person in another member State other than where the supply is an exempt supply and the recipient member State does not require an invoice.

Regulation 7 amends regulation 14 of the VAT Regulations (contents of VAT invoice) to provide for additional specific information to be shown on invoices covered by that regulation.

Regulation 8 amends regulation 17 of the VAT Regulations (section 14(6) supplies to persons belonging in other member States) to remove one of the requirements for invoices provided under that regulation

Regulation 9 amends regulation 18 of the VAT Regulations (section 14(1) supplies by intermediate suppliers) to remove one of the requirements for invoices provided under that regulation.

Regulation 10 amends regulation 19 of the VAT Regulations (section 14(2) supplies by persons belonging in other member States) to remove one of the requirements for invoices provided under that regulation.

Impact assessments of the effect that the changes made by this instrument will have on the costs of business and the voluntary sector are available from H M Revenue and Customs, 100 Parliament Street, London SW1A 2BQ. The impact assessments and the Transposition Note which has been prepared for this instrument are annexed to the Explanatory Memorandum which is available alongside the instrument on the OPSI website (www.opsi.gov.uk).