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STATUTORY INSTRUMENTS

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**2012 No. 33**

**VALUE ADDED TAX**

**The Value Added Tax (Amendment) Regulations 2012**

<i>Made</i>	- - - -	<i>9th January 2012</i>
<i>Laid before the House of Commons</i>	- - - -	<i>10th January 2012</i>
<i>Coming into force</i>	- -	<i>1st April 2012</i>

The Commissioners for Her Majesty's Revenue and Customs make the following Regulations in exercise of the powers conferred by section 25(1) of, and paragraph 2(1) and (11) of Schedule 11 to, the Value Added Tax Act 1994(1); sections 132 and 133 of the Finance Act 1999(2) and sections 135 and 136 of the Finance Act 2002(3).

**Citation, commencement and effect**

1. These Regulations may be cited as the Value Added Tax (Amendment) Regulations 2012.
2. These Regulations come into force on 1st April 2012 and have effect in relation to returns required by regulation 25 of the Value Added Tax Regulations 1995(4) made for any prescribed accounting period which commences on or after that date.

**Amendment of the Value Added Tax Regulations 1995**

3. Regulation 25A of the Value Added Tax Regulations 1995(5) is amended as follows.
4. For paragraph (3) substitute—

“(3) Subject to paragraph (6) below, a person who is registered for VAT must make a return required by regulation 25 using an electronic return system whether or not such a

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(1) 1994 c. 23; section 96(1) defines “the Commissioners” as meaning the Commissioners of Customs and Excise and “regulations” as meaning regulations made by the Commissioners under the Act; paragraph 2(1) of Schedule 11 was amended by section 24(1)(b) and (5) of the Finance Act 2002 (c. 23). The functions of the Commissioners of Customs and Excise were transferred to the Commissioners for Her Majesty's Revenue and Customs by section 5 of the Commissioners for Revenue and Customs Act 2005 (c. 11). Section 50(1) of that Act provides that a reference to the Commissioners of Customs and Excise shall be taken as a reference to the Commissioners for Her Majesty's Revenue and Customs.

(2) 1999 c. 16; section 132 was amended by paragraph 156 of Schedule 17 to, the Communications Act 2003 (c. 21). Section 50 of the Commissioners for Revenue and Customs Act 2005 (c. 11) provides that a reference in an enactment to the Commissioners of Customs and Excise shall be taken as a reference to the Commissioners for Her Majesty's Revenue and Customs.

(3) 2002 c. 23; section 135 was amended by paragraphs 94 and 95 of Schedule 4 to, the Commissioners for Revenue and Customs Act 2005 (c. 11) and by section 93 of the Finance Act 2007 (c. 11).

(4) S.I. 1995/2518; regulation 25 was amended by S.I. 2000/258, 2000/794, 2004/1675 and 2009/2978.

(5) Regulation 25A was inserted by S.I. 2009/2978 and amended by S.I. 2010/559.

person is registered in substitution for another person under regulation 6 (transfer of a going concern).”.

5. Omit paragraph (5).
6. In paragraph (6)—
  - (a) at the beginning, omit “However”;
  - (b) in sub-paragraph (b) omit “at the time when he would otherwise be notified under paragraph (7) below”; and
  - (c) for “is not a specified person for the purposes of this regulation” substitute “is not required to make a return required by regulation 25 using an electronic return system”.
7. Omit paragraph (7).
8. In paragraph (15)—
  - (a) at the beginning insert “Subject to paragraph (15A)”;
  - (b) omit “specified”.
9. After paragraph (15) insert—

“(15A) A person who—

  - (a) on 31 March 2012 was registered for VAT with an effective date of registration before that date,
  - (b) was not as at 31 March 2012 required to make a return required by regulation 25 using an electronic return system, and
  - (c) fails to comply with paragraph (3),

is only liable to a penalty in relation to returns made for prescribed accounting periods which end on or after 31 March 2013.”.
10. In paragraph (16) omit “specified”.
11. In paragraph (18)(a) for “a specified person” substitute “a person required to make a return required by regulation 25 using an electronic return system”.
12. In paragraph (19) omit “paragraph (5)(b) above and”.
13. In paragraph (21) omit “(5),”.
14. Omit paragraph (22)(a).

9th January 2012

*Mike Eland*  
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Two of the Commissioners for Her Majesty’s  
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## EXPLANATORY NOTE

*(This note is not part of the Regulations)*

These Regulations amend Part V (accounting, payment and records) of the Value Added Tax Regulations 1995 (S.I. 1995/2518).

Regulations 4 to 14 amend regulation 25A.

Regulation 4 removes the previous turnover test and thereby requires all persons who are required to make value added tax returns to do so using an electronic return system unless they are specifically excepted.

Regulations 5 to 14 make consequential amendments which include removing the references to a specified person and a specified return and removing the notification requirement. Regulation 9 ensures that a person who is required to make a return required by regulation 25 of the Value Added Tax Regulations 1995 using an electronic return system only as a result of the removal of the turnover test will only be liable to a penalty for returns made for prescribed accounting periods which end on or after 31st March 2013.

A Tax Information and Impact Note covering this instrument was published on 08/08/2011 alongside the draft Value Added Tax (Amendment) Regulations 2012 and is available on the HMRC website at [http://www.hmrc.gov.uk/the\\_library/tiins/htm](http://www.hmrc.gov.uk/the_library/tiins/htm). It remains an accurate summary of the impacts that apply to this instrument.