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STATUTORY INSTRUMENTS

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**2014 No. 1497**

**VALUE ADDED TAX**

**The Value Added Tax (Amendment) (No. 2) Regulations 2014**

<i>Made</i>	- - - -	<i>6th June 2014</i>
<i>Laid before the House of Commons</i>	- - - -	<i>9th June 2014</i>
<i>Coming into force</i>	- -	<i>1st July 2014</i>

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

**Citation, commencement and effect**

1. These Regulations may be cited as the Value Added Tax (Amendment) (No. 2) Regulations 2014.
2. These Regulations come into force on 1st July 2014 and have effect in relation to—
  - (a) supplies made on or after that date; and
  - (b) returns required by regulation 25 of the Value Added Tax Regulations 1995<sup>(4)</sup> made for any prescribed accounting period which commences on or after that date.

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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. The functions of the Commissioners of Customs and Excise were transferred to the Commissioners for Her Majesty's Revenue and Customs by section 5(2) 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. Paragraph 2(1) of Schedule 11 was amended by section 24(1)(b) and (5) of the Finance Act 2002 (c. 23) and by section 204 of, and paragraphs 1 and 12 of Schedule 29 to, the Finance Act 2012 (c. 14). Paragraph 2(3A) and (3B) of Schedule 11 were inserted by section 19(7) of the Finance Act 2006 (c. 25). Paragraph 2(3B) was substituted by S.I. 2007/1421. Paragraph 2(3A) and (3B) were amended by section 204 of, and paragraphs 1 and 12 of Schedule 29 to, the Finance Act 2012 (c. 14).

(2) 1999 c. 16; section 132 was amended by paragraph 156 of Schedule 17 to the Communications Act 2003 (c. 21).

(3) 2002 c. 23; section 135 was amended by section 50(6) of, and paragraphs 94 and 95 of Schedule 4 to, the Commissioners for Revenue and Customs Act 2005, section 93 of the Finance Act 2007 (c. 11) and S.I. 2011/1043.

(4) S.I. 1995/2518; regulation 25 has been amended by S.I. 2000/258, S.I. 2000/794, S.I. 2004/1675, S.I. 2009/2978 and S.I. 2012/1899.

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

3. In regulation 23A of the Value Added Tax Regulations 1995<sup>(5)</sup> (reverse charge sales statements: interpretation of Part 4A) in the definition of “relevant supply” insert at the end “other than a supply of gas or electricity”.

4. Regulation 25A (making of returns) of the Value Added Tax Regulations 1995<sup>(6)</sup> is amended as follows—

(a) in paragraph (3) after “system” insert “that that person is required or authorised to use”;

(b) in paragraph (6) at the end of sub-paragraph (b) insert—

“, or

(c) for whom the Commissioners are satisfied that it is not reasonably practicable to make a return using an electronic return system (including any electronic return system that that person is authorised to use) for reasons of disability, age, remoteness of location or any other reason”;

(c) in paragraph (10) after sub-paragraph (b) insert—

“(c) approve telephone filing as a form of electronic return system for use by specified categories of persons.”.

*Edward Troup*

*Simon Bowles*

Two of the Commissioners for Her Majesty’s  
Revenue and Customs

6th June 2014

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<sup>(5)</sup> Regulation 23A was inserted by [S.I. 2007/1418](#).

<sup>(6)</sup> Regulation 25A was inserted by [S.I. 2009/2978](#) and amended by [S.I. 2010/559](#), [S.I. 2012/33](#) and [S.I. 2012/1899](#).

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## EXPLANATORY NOTE

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

These Regulations amend Part 4A (reverse charge sales statements) and Part 5 (accounting, payment and records) of the Value Added Tax Regulations 1995 (S.I. 1995/2518) (“the Principal Regulations”).

Regulations 23B, 23C and 23D of the Principal Regulations impose certain reporting obligations on those who make supplies of goods to which a reverse charge applies.

The Value Added Tax (Section 55A) (Specified Goods and Excepted Supplies) Order 2014 (S.I. 2014/1458) (“the Order”), which is laid with these Regulations and comes into force on the same day, imposes a reverse charge for VAT purposes in relation to certain supplies of gas and electricity.

Regulation 3 amends the definition of “relevant supply” in regulation 23A of the Principal Regulations so that the reporting obligations will not apply to supplies of gas and electricity to which the Order applies.

Regulation 4 provides for an additional category of excepted persons who will be authorised to use the paper return system and allows the Commissioners to approve a new form of electronic return system (telephone filing) in a direction made under regulation 25A(8), the use of which will be restricted to specified authorised categories of taxpayers.

Specifically, regulation 4 makes it clear that a person who is required to use an electronic return system must use a form of electronic return system that that person is required or authorised to use; provides for an additional category of persons who are not required to make a return using an electronic return system, namely persons for whom the Commissioners are satisfied that it would not be reasonably practicable to make a return using an electronic return system (including telephone filing if they are authorised to use that form of electronic return system) for reasons such as disability, age or remoteness of location and allows the Commissioners to issue a direction under regulation 25A(8) that approves telephone filing as a form of electronic return system for use by specified categories of taxpayers.

A Tax Information and Impact Note covering the changes made by regulation 3 of this instrument was published at Budget 2014 and is available on the HMRC website at [HM Revenue & Customs: Tax Information and Impact Notes \(TIINs\)](#). It remains an accurate summary of the impacts that apply to this instrument.

A Tax Information and Impact Note covering the changes made by regulation 4 of this instrument will be published on the HMRC website at <http://www.hmrc.gov.uk/thelibrary/tiins.htm>.