

2019 No. 1509

VALUE ADDED TAX

The Value Added Tax (Amendment) (No. 2) Regulations 2019

Made - - - - 19th December 2019

Laid before the House of Commons 20th December 2019

Coming into force - - 1st January 2020

The Commissioners for Her Majesty's Revenue and Customs make the following Regulations in exercise of the power conferred by section 30(8) of the Value Added Tax Act 1994(a).

Citation and commencement

1. These Regulations may be cited as the Value Added Tax (Amendment) (No. 2) Regulations 2019 and come into force on 1st January 2020.

Amendment of the Value Added Tax Regulations 1995

2. The Value Added Tax Regulations 1995(b) are amended as follows.

3. In regulation 134(c) (supplies to persons taxable in another member State)—

- (a) at the beginning, for “Where” substitute “Subject to regulation 134A, where”; and
- (b) in paragraph (b), for “a person taxable in another member State” substitute “a person (“P”) who is registered for VAT in another member State and has provided the supplier with the VAT identification number issued to P by that other member State”.

4. After regulation 134 insert—

“**134A.** The zero-rating provided for by regulation 134 shall be revoked where, in relation to a supply,—

- (a) the taxable person who makes the supply fails to comply with the obligation to submit a statement under regulation 22(d); or
- (b) the statement submitted by that taxable person does not set out the correct information as required by or under regulation 22, unless the taxable person can

(a) 1994 c. 23 (“the Act”). Section 96(1) of the Act 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(1) of the Commissioners for Revenue and Customs Act 2005 (c. 11), section 50(1) of which 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.

(b) S. I. 1995/2518.

(c) Regulation 134 is omitted by regulation 5 of S.I. 2019/513 from a date to be appointed but regulation 5 is not yet in force.

(d) Regulation 22 was amended by S.I. 2009/3241 and 2012/1899.

satisfy the Commissioners that there was a reasonable excuse for the failure to comply or the failure to provide the correct information, as appropriate.”.

*Melissa Tatton
Justin Holliday*

19th December 2019

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

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations amend Part 16 (importations, exportations and removals) of the Value Added Tax Regulations 1995 (S.I 1995/2518: “the Principal Regulations”) to make changes required by Council Directive (EU) 2018/1910 of 4 December 2018 (OJ No 311, 07.12.2018, p. 3-7) (“Directive 2018/1910”) which, amongst other things, amends article 138 of Council Directive 2006/112/EC (OJ No 347, 11.12.06, p. 1) (“the Principal VAT Directive”).

The Principal VAT Directive establishes a common system of value added tax applicable throughout the European Union.

Directive 2018/1910 amended article 138 of the Principal VAT Directive with effect from 4th December 2018. Member States are required to transpose the amendments with effect from 1st January 2020. The amendments are intended to improve the Union VAT rules for cross-border transactions with regard to the role of the VAT identification number and the need to comply with other obligations relating to requirements to provide information in the context of the exemption for intra-community supplies.

Regulation 1 provides for citation and commencement.

Regulations 2 to 4 amend the provisions relating to supplies to persons in other member States to make the changes required by Directive 2018/1910.

Regulation 3 amends regulation 134 of the Principal Regulations to make it a requirement for exemption that the recipient of the supply is registered for VAT in another member State and has provided the supplier with its VAT registration number.

Regulation 4 inserts a new regulation 134A into the Principal Regulations to restrict the application of the exemption in the circumstances specified.

A Tax Information and Impact Note covering this instrument will be published on the website at <https://www.gov.uk/government/collections/tax-information-and-impact-notes-tiins>.

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