

SCHEDULES

[^{F1}SCHEDULE 9ZD

DISTANCE SELLING OF GOODS FROM NORTHERN IRELAND: SPECIAL ACCOUNTING SCHEME

Textual Amendments

- F1** Schs. 9ZD-9ZF inserted (10.6.2021 for specified purposes, 1.7.2021 for specified purposes) by [Finance Act 2021 \(c. 26\)](#), s. 95(6)(a), [Sch. 18 para. 6](#); S.I. 2021/770, regs. 3, 4 (with regs. 5-7)

PART 5

COLLECTION OF ^{F1}...UK VAT

Textual Amendments

- F1** Word in [Sch. 9ZD Pt. 5](#) heading omitted (1.4.2022) by virtue of [The Value Added Tax \(Enforcement Related to Distance Selling and Miscellaneous Amendments\) Regulations 2022 \(S.I. 2022/226\)](#), regs. 1, 7

Default surcharge: exceptions for reasonable excuse etc

- 29 (1) A person who would otherwise have been liable to a surcharge under paragraph 28(1) is not to be liable to the surcharge if the person satisfies the Commissioners or, on appeal, the tribunal that, in the case of a default which is material to the surcharge—
- (a) [^{F2}the OSS scheme return or] the non-UK return or, as the case may be, the VAT shown on that return, was despatched at such a time and in such manner that it was reasonable to expect that it would be received by [^{F3}the Commissioners or] the tax authorities for the administering member State [^{F4}(as the case may be)] within the appropriate time limit, or
 - (b) there is a reasonable excuse for the return or the VAT not having been so despatched.
- (2) Where sub-paragraph (1) applies to a person—
- (a) the person is treated as not having been in default in respect of the tax period in question, and
 - (b) accordingly, any special surcharge liability notice the service of which depended on that default is regarded as not having been served.
- (3) A default is “material” to a surcharge if—
- (a) it is the default which gives rise to the surcharge, under paragraph 28(1), or
 - (b) it is a default which was taken into account in the service of the special surcharge liability notice on which the surcharge depends and the person concerned has not previously been liable to a surcharge in respect of a tax

Changes to legislation: There are currently no known outstanding effects for the Value Added Tax Act 1994, Paragraph 29. (See end of Document for details)

period ending within the special surcharge period specified in or extended by that notice.

- (4) A default is left out of account for the purposes of paragraphs 27(3) and 28(1) if—
 - (a) the conduct by virtue of which the person is in default is also conduct falling within section 69(1) (breaches of regulatory provisions), and
 - (b) by reason of that conduct the person concerned is assessed to a penalty under that section.
- (5) If the Commissioners, after consultation with the Treasury, so direct, a default in respect of a tax period specified in the direction is to be left out of account for the purposes of paragraphs 27(3) and 28(1).
- (6) Section 71(1) (meaning of “reasonable excuse”) applies for the purposes of this paragraph as it applies for the purposes of sections 59 to 70.]

Textual Amendments

- F2** Words in Sch. 9ZD para. 29(1)(a) inserted (1.4.2022) by [The Value Added Tax \(Enforcement Related to Distance Selling and Miscellaneous Amendments\) Regulations 2022 \(S.I. 2022/226\)](#), regs. 1, **13(a)**
- F3** Words in Sch. 9ZD para. 29(1)(a) inserted (1.4.2022) by [The Value Added Tax \(Enforcement Related to Distance Selling and Miscellaneous Amendments\) Regulations 2022 \(S.I. 2022/226\)](#), regs. 1, **13(b)**
- F4** Words in Sch. 9ZD para. 29(1)(a) inserted (1.4.2022) by [The Value Added Tax \(Enforcement Related to Distance Selling and Miscellaneous Amendments\) Regulations 2022 \(S.I. 2022/226\)](#), regs. 1, **13(c)**

Changes to legislation:

There are currently no known outstanding effects for the Value Added Tax Act 1994, Paragraph 29.