

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, 1.3.2024 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); [S.I. 2024/130](#), regs. 3, 4

PART 4

PERSONS REGISTERED UNDER NON-UK SPECIAL ACCOUNTING SCHEMES

Meaning of “a non-UK scheme”

- 16 (1) In this Schedule “a non-UK scheme” means any provision of the law of a member State which implements Section 3 of Chapter 6 of Title XII of the VAT Directive.
- (2) In relation to a non-UK scheme, references to the “administering member State” are to the member State under whose law the scheme is established.

Exemption from requirement to register under this Act

- 17 (1) A participant in a non-UK scheme is not required to be registered under this Act by virtue of making scheme supplies in respect of which the participant is required to make returns under that other scheme.
- (2) Sub-paragraph (1) overrides any contrary provision in this Act.
- (3) Where a participant in a non-UK scheme who is not registered under this Act (“the unregistered person”) makes relevant supplies, it is to be assumed for all purposes of this Act relating to the determination of—
- whether or not VAT is chargeable under this Act on those supplies,
 - how much VAT is chargeable under this Act on those supplies,
 - the time at which those supplies are treated as taking place, and
 - any other matter that the Commissioners may specify by regulations,
- that the unregistered person is registered under this Act.
- (4) Scheme supplies made by the unregistered person are “relevant supplies” if—
- the value of the supplies must be accounted for in a return required to be made by the unregistered person under a non-UK scheme, and
 - the supplies are treated as made in the United Kingdom.

Changes to legislation: There are currently no known outstanding effects for the Value Added Tax Act 1994, PART 4. (See end of Document for details)

De-registration

- 18 (1) Sub-paragraph (2) applies where a person (“P”) who is registered under Schedule 1A or Part 9 of Schedule 9ZA—
- (a) satisfies the Commissioners that P intends to apply for identification under a non-UK scheme, and
 - (b) asks the Commissioners to cancel P's registration under Schedule 1A or Part 9 of Schedule 9ZA (as the case may be).
- (2) The Commissioners may cancel P's registration under Schedule 1A or Part 9 of Schedule 9ZA (as the case may be) with effect from—
- (a) the day on which the request is made, or
 - (b) a later date agreed between P and the Commissioners.

Scheme participants who are also registered under this Act

- 19 (1) A person (“P”) who—
- (a) is a participant in a non-UK scheme, and
 - (b) is also registered, or required to be registered, under this Act,
- is not required to discharge any obligation placed on them as a taxable person, to the extent that the obligation relates to relevant supplies.
- (2) The reference in sub-paragraph (1) to an obligation placed on P as a taxable person is to an obligation—
- (a) to which P is subject under or by virtue of this Act, and
 - (b) to which P would not be subject if P was neither registered nor required to be registered under this Act.
- (3) A supply made by a participant in a non-UK scheme is a “relevant supply” if—
- (a) the value of the supply must be accounted for in a return required to be made by the participant under that scheme, and
 - (b) the supply is treated as made in the United Kingdom.
- (4) The Commissioners may by regulations specify cases in relation to which sub-paragraph (1) is not to apply.
- (5) In section 25(2) (deduction of input tax from output tax by a taxable person) the reference to output tax that is due from the taxable person does not include any VAT that the taxable person is liable under a non-UK scheme to pay to the tax authorities for the administering member State.

Value of supplies to connected persons

- 20 In paragraph 1 of Schedule 6 (valuation: supply to connected person at less than market value) the reference to a supply made by a taxable person is to be read as including a scheme supply that is made by a participant in a non-UK scheme (and is treated as made in the United Kingdom).

Refund of VAT on supplies of goods and services supplied to scheme participant

- 21 The power of the Commissioners to make regulations under section 39 (repayment of VAT to those in business overseas) includes power to make provision for giving effect to the second sentence of Article 369j of the VAT Directive (which provides

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for VAT on certain supplies to participants in special accounting schemes to be refunded in accordance with Directive [2008/9/EC](#)).

[^{F2}Availability of records

Textual Amendments

F2 Sch. 9ZD para. 21A and cross-heading inserted (1.12.2021) by [The Value Added Tax \(Distance Selling and Miscellaneous Amendments\) Regulations 2021 \(S.I. 2021/1164\)](#), regs. 1, 7

- 21A. (1) A person (“P”) who is a participant in a non-UK special scheme must keep and make available to the Commissioners, on request, obligatory records.
- (2) The records must be made available by electronic means.
- (3) In sub-paragraph (1) “obligatory records” means records, of transactions entered into by P covered by the scheme, containing the information referred to in Article 63c(1) of the Implementing Regulation.]]

Changes to legislation:

There are currently no known outstanding effects for the Value Added Tax Act 1994, PART 4.