

*Changes to legislation: There are currently no known outstanding effects for the Value Added Tax Act 1994, PART 2. (See end of Document for details)*

## SCHEDULES

### [<sup>F1</sup>SCHEDULE 9ZF

#### MODIFICATIONS ETC IN CONNECTION WITH SCHEDULES 9ZD AND 9ZE

##### 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 2

#### MODIFICATIONS ETC OF OTHER ACTS

##### *Finance Act 2007*

9 In Schedule 24 to FA 2007, [<sup>F2</sup>paragraph] 1 (error in taxpayer's document) has effect as if—

- (a) in the table, after the entry relating to a VAT return, statement or declaration in connection with a claim there were inserted—

“VAT	Return under a special accounting scheme.”;
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- (b) before sub-paragraph (5) there were inserted—

“(4A) In this paragraph “return under a special accounting scheme” means any of the following, so far as relating to supplies of goods treated as made in the United Kingdom—

- (a) an OSS scheme return or a relevant non-UK return under Schedule 9ZD to VATA 1994 (see paragraphs 11 and 22(3) of that Schedule);
- (b) a relevant special scheme return under Schedule 9ZE to VATA 1994 (see paragraphs 11 and 16(3) of that Schedule).

[ In a case where a return under a special accounting scheme is <sup>F3</sup>(4B) required to be submitted to an authority other than HMRC, for the purposes of sub-paragraph (1) the return is regarded as given to HMRC when it is submitted to that authority.”]

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#### Textual Amendments

- F2** Word in Sch. 9ZF para. 9 substituted (1.4.2022) by [The Value Added Tax \(Enforcement Related to Distance Selling and Miscellaneous Amendments\) Regulations 2022 \(S.I. 2022/226\)](#), regs. 1, **26(a)**
- F3** Words in Sch. 9ZF para. 9(b) 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, **26(b)**

#### *Finance Act 2009*

- 10 FA 2009 has effect subject to the following modifications.
- 11 Section 101 (late payment interest on sums due to HMRC) has effect as if after subsection (9) there were inserted—

- “(10) The reference in subsection (1) to amounts payable to HMRC includes—
- (a) amounts of UK VAT payable under a non-UK scheme;
  - (b) amounts of UK VAT payable under a special scheme;
  - [ amounts payable under Schedule 26 to FA 2021 by way of penalties
  - <sup>F4</sup>(c) in relation to a failure to pay an amount of UK VAT—
    - (i) payable under paragraph 10(2) of Schedule 9ZD, or paragraph 10(2) of Schedule 9ZE, to VATA 1994;
    - (ii) payable under a non-UK scheme in respect of scheme supplies treated as made in the United Kingdom, or a special scheme in respect of qualifying supplies of goods treated as made in the United Kingdom;
    - (iii) shown in an assessment made by HMRC in default of an OSS scheme return or a relevant non-UK return;
    - (iv) shown in an assessment made by HMRC in default of a relevant special scheme return.]

and references in Schedule 53 to amounts due or payable to HMRC are to be read accordingly.

- [<sup>F5</sup>(11) In subsection (10)—
- (a) expressions that are also used in Schedule 9ZD to VATA 1994 (the OSS scheme) have the same meaning that they have in that Schedule, and
  - (b) expressions that are also used in Schedule 9ZE to VATA 1994 (the IOSS scheme) have the same meaning that they have in that Schedule”]

#### Textual Amendments

- F4** Words in Sch. 9ZF para. 11 inserted (1.3.2024) by [The Value Added Tax \(Distance Selling\) \(Amendments\) Regulations 2024 \(S.I. 2024/128\)](#), regs. 1(1), **6(3)(a)** (with reg. 1(2))
- F5** Words in Sch. 9ZF para. 11 substituted (1.3.2024) by [The Value Added Tax \(Distance Selling\) \(Amendments\) Regulations 2024 \(S.I. 2024/128\)](#), regs. 1(1), **6(3)(b)** (with reg. 1(2))

- [<sup>F6</sup>11A Section 102 (repayment interest on sums to be paid by HMRC) has effect as if after subsection (1) there were inserted—

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“(1A) This section also applies to an amount paid by a person to a person other than HMRC that is repaid by HMRC under—

- (a) paragraph 31(4) of Schedule 9ZD, or paragraph 25(4) of Schedule 9ZE, to VATA 1994;
- (b) section 36(2) of VATA 1994 by virtue of paragraph 34 of Schedule 9ZD, or paragraph 28 of Schedule 9ZE, to VATA 1994.”

#### Textual Amendments

**F6** Sch. 9ZF paras. 11A-11D inserted (1.3.2024) by [The Value Added Tax \(Distance Selling\) \(Amendments\) Regulations 2024 \(S.I. 2024/128\)](#), regs. 1(1), **6(4)** (with reg. 1(2))

11B Part 2 of Schedule 54 (repayment interest: special provision as to repayment interest start date) has effect as if after paragraph 12C there were inserted—

*“Payments in connection with the OSS and IOSS schemes*

12CA (1) This paragraph applies in the case of any payment (or repayment) under—

- (a) paragraph 31(4) of Schedule 9ZD, or paragraph 25(4) of Schedule 9ZE, to VATA 1994;
- (b) section 36(2) of VATA 1994 by virtue of paragraph 34 of Schedule 9ZD, or paragraph 28 of Schedule 9ZE, to VATA 1994.

(2) The repayment interest start date is the later of—

- (a) the date (if any) on which the claim giving rise to the payment (or repayment) was required to be made, and
- (b) the date on which the claim was in fact made.”

#### Textual Amendments

**F6** Sch. 9ZF paras. 11A-11D inserted (1.3.2024) by [The Value Added Tax \(Distance Selling\) \(Amendments\) Regulations 2024 \(S.I. 2024/128\)](#), regs. 1(1), **6(4)** (with reg. 1(2))

11C Part 2A of Schedule 54 (repayment interest: VAT: special provision as to period for which amount carries interest) has effect as if—

- (a) at the beginning of paragraph 12D there were inserted “Subject to paragraph 12DA,”;
- (b) after paragraph 12D there were inserted—

“12DA In this Part of this Schedule—

“prescribed accounting period” also includes a tax period within the meanings of Schedules 9ZD and 9ZE to VATA 1994;

“VAT credit” also includes a repayment to persons who are not taxable persons (within the meaning of VATA 1994) of an amount of VAT paid under and in accordance with Schedule 9ZD or 9ZE to that Act;

“VAT return” also includes—

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- (a) an OSS scheme return or a relevant non-UK return within the meaning of Schedule 9ZD to VATA 1994;
- (b) a relevant special scheme return within the meaning of Schedule 9ZE to VATA 1994.”

**Textual Amendments**

**F6** Sch. 9ZF paras. 11A-11D inserted (1.3.2024) by [The Value Added Tax \(Distance Selling\) \(Amendments\) Regulations 2024 \(S.I. 2024/128\)](#), regs. 1(1), **6(4)** (with reg. 1(2))

11D Part 2 of Schedule 54A (further provision as to late payment interest and repayment interest: Value Added Tax) has effect as if—

- (a) at the beginning of paragraph 5 there were inserted “Subject to paragraph 5A”;
- (b) after paragraph 5 there were inserted—

“5A In this Part of this Schedule—

“prescribed accounting period” also includes a tax period within the meanings of Schedules 9ZD and 9ZE to VATA 1994;

“VAT credit” also includes a repayment to persons who are not taxable persons (within the meaning of VATA 1994) of an amount of VAT paid under and in accordance with Schedule 9ZD or 9ZE to that Act.”.]

**Textual Amendments**

**F6** Sch. 9ZF paras. 11A-11D inserted (1.3.2024) by [The Value Added Tax \(Distance Selling\) \(Amendments\) Regulations 2024 \(S.I. 2024/128\)](#), regs. 1(1), **6(4)** (with reg. 1(2))

<sup>F7</sup>12 .....

**Textual Amendments**

**F7** Sch. 9ZF para. 12 omitted (1.3.2024) by virtue of [The Value Added Tax \(Distance Selling\) \(Amendments\) Regulations 2024 \(S.I. 2024/128\)](#), regs. 1(1), **6(5)** (with reg. 1(2))

*Taxation (Cross-border Trade) Act 2018*

- 13 (1) Section 54 of the Taxation (Cross-border Trade) Act 2018 (prohibition on collection of certain taxes or duties on behalf of country or territory without reciprocity) does not apply in relation to VAT collected by HMRC under Schedule 9ZD or 9ZE.
- (2) But sub-paragraph (1) is not to be read as having any bearing on whether or not, in the absence of that sub-paragraph, accounting for VAT collected under those Schedules would otherwise have been authorised.

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*F<sup>8</sup> Finance Act 2021*

**Textual Amendments**

**F8** Sch. 9ZF para. 13A and cross-heading inserted (1.3.2024) by [The Value Added Tax \(Distance Selling\) \(Amendments\) Regulations 2024 \(S.I. 2024/128\)](#), regs. 1(1), **6(6)** (with reg. 1(2))

13A (1) Schedule 26 to FA 2021 (penalties for failure to pay tax) has effect subject to the following modifications.

(2) Paragraph 1(1) has effect as if in the table headed “Value added tax”, after item 1 there were inserted—

“1A	Amount of UK VAT payable under paragraph 10(2) of Schedule 9ZD to VATA 1994	The date determined in accordance with paragraph 13(1) of Schedule 9ZD to VATA 1994 as the date by which the amount must be paid
1B	Amount of UK VAT payable under paragraph 10(2) of Schedule 9ZE to VATA 1994	The date determined in accordance with paragraph 13(1) of Schedule 9ZE to VATA 1994 as the date by which the amount must be paid
1C	Amount of UK VAT payable to the tax authorities for the administering member State under a non-UK scheme in respect of scheme supplies treated as made in the United Kingdom	The date by which a non-UK return relating to the amount must be submitted
1D	Amount of UK VAT payable to the tax authorities for the administering member State under a special scheme in respect of qualifying supplies of goods treated as made in the United Kingdom	The date by which a special scheme return relating to the amount must be submitted”.

(3) Paragraph 1(2) has effect as if—

(a) the words from “annual” to the end became paragraph (a), and

(b) after that paragraph there were inserted—

“(b) terms used in entries 1A and 1C that are also used in Schedule 9ZD to VATA 1994 have the meanings given in that Schedule, and

(c) terms used in entries 1B and 1D that are also used in Schedule 9ZE to VATA 1994 have the meanings given in that Schedule”.

(4) Paragraph 3 has effect as if—

(a) after sub-paragraph (2) there were inserted—

“(2A) An assessment or determination is also made by HMRC in default of a return if it is made where—

(a) a person is required to submit an OSS scheme return or a relevant non-UK return (within the meanings of Schedule 9ZD to VATA 1994) or a relevant special scheme return (within the meaning of Schedule 9ZE to VATA 1994),

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- (b) that person fails to submit the return on or before the date by which it is required to be submitted, and
  - (c) if the return had been submitted as required the return would have shown that an amount falling within item 1A, 1B, 1C or 1D of the table in paragraph 1 headed “Value added tax” was due and payable.”;
- (b) in sub-paragraph (3), after “(2)” there were inserted “or (2A)”.[]

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