



Finance Act 2016

2016 CHAPTER 24

PART 7

VAT

123 VAT: representatives and security

- (1) Section 48 of VATA 1994 (VAT representatives) is amended in accordance with subsections (2) to (11).
- (2) In the heading, at the end insert “ and security ”.
- (3) In subsection (1)—
 - (a) for “Where” substitute “ Subsection (1ZA) applies where ”,
 - (b) in paragraph (c) after “residence” insert “ or permanent address ”, and
 - (c) omit the words after paragraph (c).
- (4) After subsection (1) insert—

“(1ZA) The Commissioners may direct the person to secure that there is a UK-established person who is—

 - (a) appointed to act on the person's behalf in relation to VAT, and
 - (b) registered against the name of the person in accordance with any regulations under subsection (4).”
- (5) In subsection (1B) for paragraphs (a) and (b) substitute—

“(a) section 87 of the Finance Act 2011 (mutual assistance for recovery of taxes etc) and Schedule 25 to that Act;

(b) section 173 of the Finance Act 2006 (international tax enforcement arrangements);”.
- (6) In subsection (2)—
 - (a) in paragraph (a), for the words from “required” to “VAT” substitute “ given a direction under subsection (1ZA) ”,
 - (b) in paragraph (b) for “that subsection” substitute “ subsection (1) ”, and

Changes to legislation: Finance Act 2016, Section 123 is up to date with all changes known to be in force on or before 03 June 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

- (c) in the words after paragraph (b), for “another” substitute “a UK-established”.
- (7) In subsection (2A) for “(1)” substitute “(1ZA)”.
- (8) In subsection (4)—
 - (a) omit the “and” at the end of paragraph (a), and
 - (b) after paragraph (b) insert—
 - “(c) give the Commissioners power to refuse to register a person as a VAT representative, or to cancel a person's registration as a VAT representative, in such circumstances as may be specified in the regulations.”
- (9) In subsection (7) for the words from the beginning to the first “him” substitute “The Commissioners may require a person in relation to whom the conditions specified in paragraphs (a), (b) and (c) of subsection (1) are satisfied”.
- (10) After subsection (7A) insert—
 - “(7B) A direction under subsection (1ZA)—
 - (a) may specify a time by which it (or any part of it) must be complied with;
 - (b) may be varied;
 - (c) continues to have effect (subject to any variation) until it is withdrawn or the conditions specified in subsection (1) are no longer satisfied.
 - (7C) A requirement under subsection (7)—
 - (a) may specify a time by which it (or any part of it) must be complied with;
 - (b) may be varied;
 - (c) continues to have effect (subject to any variation) until it is withdrawn.”
- (11) After subsection (8) insert—
 - “(8A) For the purposes of subsections (1ZA) and (2)—
 - (a) a person is UK-established if the person is established, or has a fixed establishment, in the United Kingdom, and
 - (b) an individual is also UK-established if the person's usual place of residence or permanent address is in the United Kingdom.”

^{F1}(12)

Textual Amendments

F1 S. 123(12) repealed (31.12.2020) by [Taxation \(Cross-border Trade\) Act 2018 \(c. 22\), s. 57\(3\), Sch. 8 para. 132\(n\)](#) (with savings and transitional provisions in [S.I. 2019/105](#) (as amended by [S.I. 2020/1495](#), [regs. 1\(2\), 21](#)), [S.I. 2020/1545](#), [Pt. 4](#) and [2020 c. 26, Sch. 2 para. 7\(7\)-\(9\)](#)); [S.I. 2020/1642](#), [reg. 4\(b\)](#) (with [reg. 7](#))

Changes to legislation:

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Changes and effects yet to be applied to the whole Act associated Parts and Chapters:

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- Sch. 19 para. 12(5)(b) inserted by [2017 c. 32 Sch. 14 para. 49\(2\)\(c\)](#)
- Sch. 19 para. 12(5)(a) word inserted by [2017 c. 32 Sch. 14 para. 49\(2\)\(b\)](#)
- Sch. 19 para. 51(8)(b) words inserted by [2017 c. 32 Sch. 14 para. 48\(2\)](#)
- Sch. 19 para. 53(1) words inserted by [2017 c. 32 Sch. 14 para. 48\(4\)\(a\)](#)
- Sch. 19 para. 53(1) words inserted by [2017 c. 32 Sch. 14 para. 48\(4\)\(b\)](#)
- Sch. 19 para. 12(5)(a) words renumbered as Sch. 19 para. 12(5)(a) by [2017 c. 32 Sch. 14 para. 49\(2\)\(a\)](#)
- Sch. 19 para. 58(1) words substituted by [2017 c. 32 Sch. 14 para. 48\(5\)](#)
- Sch. 20 para. 1(4)(e) inserted by [2021 c. 26 Sch. 27 para. 47\(2\)](#)
- Sch. 20 para. 3(3)(d) and word inserted by [2021 c. 26 Sch. 27 para. 47\(3\)\(b\)](#)
- Sch. 20 para. 5(5) inserted by [2021 c. 26 Sch. 27 para. 47\(5\)](#)
- Sch. 22 para. 2(4B) inserted by [2021 c. 26 Sch. 27 para. 48\(2\)\(c\)](#)
- Sch. 22 para. 3(4A) inserted by [2021 c. 26 Sch. 27 para. 48\(3\)](#)