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STATUTORY INSTRUMENTS

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**1987 No. 1916**

**VALUE ADDED TAX**

**The Value Added Tax (General)  
(Amendment) (No. 3) Regulations 1987**

*Made* - - - - *11th November 1987*  
*Laid before the House of*  
*Commons* - - - - *18th November 1987*  
*Coming into force* - - *1st January 1988*

The Commissioners of Customs and Excise, in exercise of the powers conferred on them by sections 14(6), 14(9), 16(7), 19(2), paragraph 14 of Schedule 1 and paragraphs 2(1), 2(5) and 6(4) of Schedule 7 to the Value Added Tax Act 1983(1) and of all other powers enabling them in that behalf, hereby make the following Regulations:

**Citation and commencement**

1. These Regulations may be cited as the Value Added Tax (General) (Amendment) (No. 3) Regulations 1987 and shall come into force on 1st January 1988.

**Revocations**

2. Regulation 12(a) of the Value Added Tax (General) Regulations 1985 (Amendment) Regulations 1985(2) and regulation 4 of the Value Added Tax (General) (Amendment) Regulations 1986(3) are revoked.

3. The Value Added Tax (General) Regulations 1985(4) shall be amended in accordance with the following provisions of these Regulations.

4. In regulation 4 —

- (a) in paragraph (1), for the reference to “paragraph 3 or 4 of Schedule 1” there shall be substituted a reference to “paragraph 3(1) or 4(1) of Schedule 1” and for the reference to “paragraph 5 or 11(1)(b) of the said Schedule” there shall be substituted a reference to “paragraph 5, 11(1)(b) or 11A(5) of the said Schedule”.

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(1) 1983 c. 55; paragraph 6(4) of Schedule 7 was amended by section 16(1) of the Finance Act 1984 (c. 43).

(2) S.I. 1985/1650.

(3) S.I. 1986/71.

(4) S.I. 1985/886 was amended by 1985/1650, 1986/71, 305, 1987/150, 510.

(5) Paragraph 11A of Schedule 1 to the Value Added Tax Act 1983 (c. 55) was inserted by section 13(4) of the Finance Act 1987 (c. 16).

- (b) in paragraph (3), in the reference to “paragraph 7, 8, 9 or 10 of Schedule 1” there shall be deleted the reference to “paragraph 8” and for the reference to “21 days” there shall be substituted a reference to “30 days”.
- (c) for paragraph (4), there shall be substituted the following:
  - “(4) Every notification by a registered person under paragraph 7 of Schedule 1 to the Act shall be made in writing to the Commissioners stating the date upon which he ceased to make taxable supplies.”.
- (d) for paragraph (6), there shall be substituted the following:
  - “(6) An application under paragraph (5) of this regulation shall constitute notification under paragraph 7 of Schedule 1 to the Act, or a request under paragraph 9 of Schedule 1 to the Act.”.
- 5. Regulations 5, 6 and 7 are revoked.
- 6. For regulation 8, there shall be substituted the following:
  - “8. Where a person registered under paragraph 5 or 11(1)(b) of Schedule 1 to the Act no longer intends to make taxable supplies in the course or furtherance of his business he shall notify that matter to the Commissioners within 30 days of forming that intention.”.
- 7. In regulation 45(d), after the words “zero-rating provisions” there shall be inserted the words “of subsections (6) and (7) of section 16”.
- 8. In regulation 46(a), for the words “taxable person” there shall be substituted the words “taxable person importing the goods in the course of his business”.
- 9. In regulation 58 —
  - (a) for paragraph (3), there shall be substituted the following:
    - “(3) Save as the Commissioners may otherwise allow, where for the purposes of this Part of these Regulations the Commissioners have made a requirement of any person pursuant to regulation 63 —
      - (a) then the period in respect of which taxable supplies were being made by the person who died or became incapacitated shall end on the day previous to the date when death or incapacity took place; and
      - (b) a return made on his behalf shall be furnished in respect of that period no later than the last day of the month next following the end of that period; and
      - (c) the next period shall start on the day following the aforesaid period and it shall end, and all subsequent periods shall begin and end, on the dates previously determined under regulation 58(1).”.
  - (b) in paragraph 4(c), after the reference to “paragraph 11(1)(b)” insert “paragraph 11A”.
- 10. In regulation 62 —
  - for paragraph (1), there shall be substituted the following:
    - “(1) Subject to paragraph (1A) of this regulation and save as the Commissioners may otherwise allow or direct either generally or specially, a person claiming deduction of input tax under section 14(2) of the Act shall do so on the return furnished by him for the prescribed accounting period in which the tax became chargeable.
    - (1A) At the time of claiming deduction of input tax in accordance with paragraph (1) of this regulation, a person shall, if the claim is in respect of —
      - (a) a supply from another taxable person, hold the document which is required to be provided under regulation 12;

- (b) a supply under section 7(1) of the Act, hold the relative invoice from the supplier;
- (c) an importation of goods, hold a document showing the claimant as importer, consignee or owner and showing the amount of tax charged on the goods and authenticated or issued by the proper officer; or
- (d) goods which have been removed from warehouse, hold a document authenticated or issued by the proper officer showing the claimant's particulars and the amount of tax charged on the goods;

Provided that where the Commissioners so direct, either generally or in relation to particular cases or classes of cases, a claimant shall hold, instead of the document or invoice (as the case may require) specified in sub-paragraph (a), (b), (c) or (d) above, such other documentary evidence of the charge to tax as the Commissioners may direct.”.

**11.** In regulation 65 —

for paragraph (1), there shall be substituted the following:

“(1) If upon written demand a person neglects or refuses to pay tax, or any amount recoverable as if it were tax, which he is required to pay under the Act or any regulation made thereunder, a Collector or an officer of rank not below that of Senior Executive Officer may distrain on the goods and chattels of that person and by warrant signed by him direct any authorised person to levy such distress, provided that where an amount of tax is due under paragraph 4(9) of Schedule 7 to the Act (other than an amount assessed as due under paragraph 4(1) of the said Schedule upon failure by a person to make a return) no distress shall be levied until 30 days after that amount became due.”.

**12.** In the Schedule to the Regulations —

- (a) for the form numbered 1 there shall be substituted the form numbered 1 in the Schedule hereto; and
- (b) for the form numbered 3 there shall be substituted the form numbered 3 in the Schedule hereto.

King's Beam House Mark Lane LONDON  
EC3R 7HE  
11th November 1987

*Peter Jefferson Smith*  
Commissioner of Customs and Excise

Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

### SCHEDULE

Form No.1.

Regulation 4(1)



HM Customs and Excise

**For official use**

Date of receipt:  1

Local office code and registration number:

Name:

Trade name:

Taxable turnover:  E D M Y Stagger Status

Rept Vol   Oversize name address Computer user Group Div Intg Overseas

Bn  D M Y

You should read the notes opposite before you answer these questions. Please write clearly in ink.

Applicant and business

- 1

Full name
- 2

Trading name
- 3

Address

Phone no.
- 4

Status of business Postcode   
 Limited company  Company incorporation certificate no.  and date  day  month  year 19  
 Sole proprietor  Partnership  Other-specify
- 5

Business activity

Trade classification
- 6

Computer user
- 7

Date of first taxable supply  day  month  year 19  
 Expected value of taxable supplies in the next 12 months £

Repayments of VAT

- 8

Bank sorting code and account no.    
 National Girobank account no.

please continue overleaf →

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Compulsory registrations					
<b>9</b>	Date from which you have to be registered		day	month	year
					19
<b>10</b>	Exemption from compulsory registration	<input type="checkbox"/>			
	expected value of zero-rated supplies in the next 12 months		£		
Other types of registration					
<b>11</b>	Taxable supplies below registration limits	<input type="checkbox"/>			
	value of taxable supplies in the last 12 months		£		
<b>12</b>	No taxable supplies made yet	<input type="checkbox"/>			
	(a) expected annual value of taxable supplies		£		
	(b) expected date of first taxable supply				19
Business changes and transfers					
<b>13</b>	Business transferred as a going concern	<input type="checkbox"/>			
	(a) date of transfer or change of legal status				19
	(b) name of previous owner				
	(c) previous VAT registration number (if known)				
<b>14</b>	Transfer of VAT registration number	<input type="checkbox"/>			
Related businesses					
<b>15</b>	Other VAT registrations	Yes <input type="checkbox"/>	No <input type="checkbox"/>		
Declaration <small>You must complete this declaration.</small>					
<b>16</b>					
	(Full name in BLOCK LETTERS)				
	declare that all the entered details and information in any accompanying documents are correct and complete.				
	Signature _____		Date _____		
	Proprietor <input type="checkbox"/>	Partner <input type="checkbox"/>	Director <input type="checkbox"/>	Company Secretary <input type="checkbox"/>	Authorised Official <input type="checkbox"/>
					Trustee <input type="checkbox"/>
For official use					
Registration	Obligatory	Exemption	Voluntary	Intending	Transfer of Regn. no.
Approved – Initial/Date					
Refused – Initial/Date					
Form issued – Initial/Date	VAT 9/ Other	VAT 8	VAT 7	Letter	Approval Letter

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Regulation 4(5)



Value Added Tax  
Transfer of a Business as a Going Concern  
Application for Re-allocation  
of a VAT Registration Number

**Both parts of this application form must be filled in.**

**Please fill in this part  
if you are the new owner**

\*I/we took over a business as a going concern on  
date \_\_\_\_\_ 19\_\_\_\_

from \_\_\_\_\_  
(name of previous owner)

\*I/we \*enclose/have already returned Form VAT 1, and apply to use the previous owner's VAT registration number

\_\_\_\_\_

If the application is granted \*I/we agree:

- to send \*my/our first VAT return to Customs and Excise with all the VAT due for the whole period covered by the return
- to send in any returns due from but not made by the previous owner
- to pay Customs and Excise, when asked, any VAT due on supplies made by the previous owner before the business was transferred - including any VAT on stocks and assets kept by the previous owner
- that any return made in the previous owner's name for a period after the transfer date will be regarded as made by \*me/us
- that any payment made by Customs and Excise to the previous owner before the reallocation of the registration number will satisfy any right \*I/we have to that money.

Signature(s) \_\_\_\_\_

\_\_\_\_\_

(Proprietor, partners, director, company secretary)

date \_\_\_\_\_ 19\_\_\_\_

\*delete as necessary

**Please fill in this part  
if you are the previous owner**

\*I/we transferred a business as a going concern on  
date \_\_\_\_\_ 19\_\_\_\_

to \_\_\_\_\_  
(name of new owner)

From that date \*I am/we are no longer liable or eligible to be registered or \*I/we withdraw \*my/our request for voluntary registration. \*I/we agree to the VAT registration number shown opposite being allocated to the new owner.

If the application is granted \*I/we declare that:

- the new owner will be entitled to reclaim any input tax which \*I/we could have reclaimed if the registration number had not been transferred
- any payment made by Customs and Excise to the new owner will satisfy any right \*I/we have to that money
- \*I/we have retained stocks and assets valued at £ \_\_\_\_\_, including VAT.

Signature(s) \_\_\_\_\_

\_\_\_\_\_

(Proprietor, partners, director, company secretary, executor)

date \_\_\_\_\_ 19\_\_\_\_

\*delete as necessary

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## EXPLANATORY NOTE

*(This note is not part of the Regulations)*

These Regulations which come into force on 1st January 1988 amend and consolidate various provisions of the Value Added Tax (General) Regulations 1985.

Regulation 4 which modifies regulations 4(1), 4(3) and 4(4) to reflect amendments to Schedule 1 of the Value Added Tax Act 1983 introduced by section 13, 14 and Schedule 16 of the Finance Act 1987 is designed to simplify the requirements for VAT registration and deregistration. The amendment to regulation 4(6) is for clarification.

Regulation 5 revokes regulations 5, 6 and 7 which became redundant upon the coming into force of the Value Added Tax (General) (Amendment) (No. 2) Regulations 1987 on 1st April 1987.

Regulation 6 amends regulation 8 by introducing a specified time limit of thirty days, consistent with section 14 Finance Act 1987, by which a person who has been granted discretionary registration must notify the Commissioners that he no longer intends to make taxable supplies by way of business.

Regulations 7 and 8 amend regulations 45 and 46 and clarify the entitlement to relief from payment of tax on re-importation of goods by non-taxable and taxable persons.

Regulation 9 amends regulation 58(3) following the repeal of paragraph 12 to Schedule 7 of the Value Added Tax Act 1983 consequent on the coming into force of the Insolvency Act 1985. It also amends regulation 58(4)(c) to reflect the amendment to Schedule 1 of the Value Added Tax Act 1983 introduced by Section 13(4) of the Finance Act 1987.

Regulation 10 amends regulation 62 so as to separate and clarify the provisions regarding the timing and evidence of claims to input tax by virtue of sections 14(6) and 14(9) of the Value Added Tax Act 1983.

Regulation 11 amends and re-enacts regulation 65(1) by consolidating previous amendments and by making it a requirement that the demand to pay tax be written. It also removes the requirement for the demand to be signed.