
EXPLANATORY NOTE

(This note is not part of the Regulations)

Under section 20 of the Finance Act 1985 (as substituted by section 20 of the Finance Act 1988), a person becomes entitled to a repayment supplement where the Commissioners have not authorised a payment or refund of tax owing to him within 30 days of their receiving the tax return or claim for a refund. These Regulations replace the Value Added Tax (Repayment Supplement) (No. 2) Regulations 1986, which did not deal with claims for refund of tax under section 20 of the Value Added Tax Act 1983 (refunds of tax for certain public bodies). Those Regulations are revoked. The new Regulations provide four specific sets of circumstances in which the 30 day period is to be treated as extended and they prescribe rules for determining the duration of such extensions. These rules are substantially the same as in the previous Regulations, but include claims for refunds. The rules are based on objective criteria to establish the dates on which the extensions start and end.