
STATUTORY INSTRUMENTS

1995 No. 2518

The Value Added Tax Regulations 1995

PART XIV

INPUT TAX AND PARTIAL EXEMPTION

Adjustment of attribution

110. —

(1) In this regulation and regulations 108 and 109—

- (a) “exempt supplies” includes supplies outside the United Kingdom which would be exempt if made in the United Kingdom, other than supplies within sub-paragraph (b) below, and
- (b) “taxable supplies” includes the supplies referred to in regulation 103.

(2) Subject to regulation 103, where—

- (a) regulation 108 or 109 applies,
- (b) the use to which the goods or services concerned are put or to which they are intended to be put includes the making of any supplies outside the United Kingdom, and
- (c) at the time when the taxable person was first required to attribute the input tax he was not required to use a method approved or directed under regulation 102 or that method did not provide expressly for the attribution of input tax attributable to supplies outside the United Kingdom,

the amount for which the taxable person shall be liable to account under regulation 108 or the amount which he is entitled to be paid under regulation 109, as the case may be, shall be calculated by reference to the extent to which the goods or services concerned are used or intended to be used in making taxable supplies, expressed as a proportion of the whole use or intended use.