
STATUTORY INSTRUMENTS

1995 No. 2518

The Value Added Tax Regulations 1995

PART XVIII

BAD DEBT RELIEF (THE OLD SCHEME)

Proving in the insolvency in Scotland

164. For the purpose of section 22(5) of the Value Added Tax Act 1983, a claimant shall be taken to have proved in the insolvency if, in the case of—

- (a) an award of sequestration of the estate of a debtor where—
 - (i) a person has been appointed a trustee, he lodges a claim with the trustee for the amount of the debt less the amount of the refund which he proposes to claim from the Commissioners, or
 - (ii) no person is appointed trustee within 3 months of the making of the award, he notifies the Commissioners in writing, at least one month before he makes his claim to them, of the amount of the refund which he proposes to claim, of the name and address of the debtor and of the number and date of the Edinburgh Gazette in which is intimated the sequestration of the estate of the debtor; or
- (b) the debtor executing a trust deed for his creditors or a judicial factor being appointed under section 11A of the Judicial Factors (Scotland) Act 1889⁽¹⁾ to divide the insolvent estate of the deceased debtor among that debtor's creditors, he claims upon respectively the trustee or the judicial factor for the amount of the debt less the amount of the refund which he proposes to claim from the Commissioners; or
- (c) a company registered in Scotland which goes into liquidation at a time when its assets are insufficient for the payment of its debts and other liabilities and the expenses of the winding up, he lodges a claim with the liquidator for the amount of the debt less the amount of the refund which he proposes to claim from the Commissioners.

⁽¹⁾ 1889 c. 39.