
STATUTORY INSTRUMENTS

1995 No. 2518

The Value Added Tax Regulations 1995

[^{F1}PART VII

ANNUAL ACCOUNTING

[^{F1}Interpretation of Part VII

49. In this Part—

“authorised person” means a person who has been authorised by the Commissioners in accordance with regulation 50(1), and “authorised” and “authorisation” shall be construed accordingly;

“transitional accounting period” means the period commencing on the first day of a person’s prescribed accounting period in which the Commissioners authorise him to use the scheme, and ending on the day immediately preceding the first day of that person’s first current accounting year, and is a prescribed accounting period within the meaning of section 25(1) of the Act;

“current accounting year” means the period of 12 months commencing on a date indicated by the Commissioners in their notification of authorisation of a person, or while a person remains authorised the most recent anniversary thereof, and is a prescribed accounting period within the meaning of section 25(1) of the Act;

“the scheme” means the annual accounting scheme established by regulations 50 and 51;

“credit transfer” means the transfer of funds from one bank account to another under a mandate given by the payer to the bank making the transfer;

[^{F2}“the quarterly sum” means—

- (a) in the case of a taxable person who has been registered for at least 12 months—
 - (i) immediately preceding the first day of his current accounting year, or
 - (ii) for the purposes of regulation 51, immediately preceding the first day of his transitional accounting period,a sum equal to 25 per cent. of the total amount of VAT that he was liable to pay to the Commissioners in respect of those 12 months; or
- (b) in any other case, a sum equal to 25 per cent. of the total amount of VAT that the Commissioners are satisfied he will be liable to pay to the Commissioners in respect of the next 12 months;]

“the agreed quarterly sum” means a sum agreed with the Commissioners, not being less than [^{F3}25 per cent] of a taxable person’s estimated liability for VAT in his current accounting year;

[^{F4}“the monthly sum” means—

- (a) in the case of a taxable person who has been registered for at least 12 months—
 - (i) immediately preceding the first day of his current accounting year, or

(ii) for the purposes of regulation 51, immediately preceding the first day of his transitional accounting period,

a sum equal to 10 per cent. of the total amount of VAT that he was liable to pay to the Commissioners in respect of those 12 months; or

(b) in any other case, a sum equal to 10 per cent. of the total amount of VAT that the Commissioners are satisfied he will be liable to pay to the Commissioners in respect of the next 12 months;]

“the agreed monthly sum” means a sum agreed with the Commissioners, not being less than 10 per cent of a taxable person’s estimated liability for VAT, in his current accounting year;

“working day” means any day of the week other than Saturday, Sunday, a bank holiday or a public holiday;

“relevant quarterly date” means the last working day of the fourth and, where a period has such months, the seventh and the tenth months of a transitional accounting period;

“relevant monthly date” means the last working day of the fourth and each successive month of a transitional accounting period.]

Textual Amendments

- F1** Pt. 7 substituted (with effect in accordance with reg. 1 of the amending S.I.) by [The Value Added Tax \(Annual Accounting\) Regulations 1996 \(S.I. 1996/542\)](#), regs. 1, **3**
- F2** Words in [reg. 49](#) substituted (with effect in accordance with reg. 1(3) of the amending S.I.) by [The Value Added Tax \(Amendment\) \(No. 2\) Regulations 2002 \(S.I. 2002/1142\)](#), regs. 1(2), **3(a)**
- F3** Words in [reg. 49](#) substituted (with effect in accordance with reg. 1(3) of the amending S.I.) by [The Value Added Tax \(Amendment\) \(No. 2\) Regulations 2002 \(S.I. 2002/1142\)](#), regs. 1(2), **3(b)**
- F4** Words in [reg. 49](#) substituted (with effect in accordance with reg. 1(3) of the amending S.I.) by [The Value Added Tax \(Amendment\) \(No. 2\) Regulations 2002 \(S.I. 2002/1142\)](#), regs. 1(2), **3(c)**

Changes to legislation:

There are currently no known outstanding effects for the The Value Added Tax Regulations 1995, Section 49.