
STATUTORY INSTRUMENTS

1995 No. 2518

The Value Added Tax Regulations 1995

[^{F1}PART VIIIA

FLAT-RATE SCHEME FOR SMALL BUSINESSES

[^{F1}Input tax

55E.—(1) For any prescribed accounting period of a flat-rate trader, he is entitled to credit for input tax in respect of any relevant purchase of his of capital expenditure goods with a value, together with the VAT chargeable, of more than £2,000.

(2) Where paragraph (1) above applies, the whole of the input tax on the goods concerned shall be regarded as used or to be used by the flat-rate trader exclusively in making taxable supplies.

(3) Section 26B(5) of the Act shall not apply to prevent a taxable person from being entitled to credit for input tax in respect of any supply, acquisition or importation by him that is not a relevant purchase of his.

(4) Nothing in this regulation gives an entitlement to credit for input tax where such entitlement is excluded by virtue of any order made under section 25(7) of the Act.]

Textual Amendments

F1 Pt. 7A inserted (25.4.2002) by [The Value Added Tax \(Amendment\) \(No. 2\) Regulations 2002 \(S.I. 2002/1142\)](#), regs. 1(2), 7

Changes to legislation:

There are currently no known outstanding effects for the The Value Added Tax Regulations 1995, Section 55E.