
STATUTORY INSTRUMENTS

2003 No. 3220

The Value Added Tax (Amendment) (No. 6) Regulations 2003

PART 5

BAD DEBT RELIEF

22. In regulation 171(5), after “regulation” insert “, but subject to paragraph (6) below,”.

23. After regulation 171(5) insert—

“(6) Paragraph (5) above does not apply where any person to whom the right to receive a payment has been assigned (whether by the claimant or any other person) is connected to the claimant.

(7) Any question for the purposes of paragraph (6) above whether any person is connected to the claimant shall be determined in accordance with section 839 of the Taxes Act⁽¹⁾.

(8) Paragraphs (6) and (7) above apply where the right to receive a payment is assigned on or after 11th December 2003.”.

(1) section 96(1) of the Value Added Tax Act 1994 defines “the Taxes Act” as the Income and Corporation Taxes Act 1988 (c. 1). Section 839 was amended by section 74 of, and paragraph 20 of Part 2 of Schedule 17 to, the Finance Act 1995 (c. 4).