
STATUTORY INSTRUMENTS

2007 No. 1418

The Value Added Tax (Amendment) (No.3) Regulations 2007

7. After Part 19B (Repayment of input tax where consideration not paid), insert—

“PART 19C

**ADJUSTMENT OF OUTPUT TAX IN RESPECT OF SUPPLIES
TO WHICH SECTION 55A (6) OF THE ACT APPLIES**

172K. This Part applies where a person is entitled, by virtue of section 26AB(2) of the Act, to make an adjustment to the amount of VAT which he is required to account for and pay under section 55A(6) of the Act (“the adjustment”).

Adjustment of output tax

172L.—(1) The person must make the adjustment by making a negative entry in the VAT payable portion of that part of his VAT account which relates to the same prescribed accounting period of his as that in which he is required to make an entry in accordance with regulation 172H(2).

(2) The amount of the negative entry referred to in paragraph (1) above must be equal to the amount of the entry that is required to be made in accordance with regulation 172H(2).

Readjustment of output tax

172M.—(1) Where a person—

- (a) has made an entry in his VAT account in accordance with regulation 172L; and
- (b) in relation to the same supply, he subsequently makes an entry in his VAT account in accordance with regulation 172I,

he must make an entry in his VAT account in accordance with paragraphs (2) and (3) below.

(2) The person must make a positive entry in the VAT payable portion of that part of his VAT account which relates to the same prescribed accounting period of his as that in which he makes an entry in accordance with regulation 172I.

(3) The amount of the positive entry referred to in paragraph (2) above must be equal to the amount of the entry he makes in accordance with regulation 172I.

172N. None of the circumstances to which this Part applies is to be regarded as giving rise to any application of regulations 34 and 35.”.