

SCHEDULES

SCHEDULE 27

ANTI-FORESTALLING CHARGE TO VAT

PART 2

LIABILITY AND AMOUNT

Liability

- 6 (1) An anti-forestalling charge under this Schedule on a chargeable pre-change supply—
- (a) is a liability of the supplier (subject to sub-paragraph (2)), and
 - (b) becomes due on the date of the VAT change (rather than at the time of supply).
- (2) If, on the date on which the anti-forestalling charge becomes due, the person who would be liable to pay the charge under sub-paragraph (1)—
- (a) is not a taxable person, but
 - (b) is treated as a member of a group under sections 43A to 43D of VATA 1994, the anti-forestalling charge is a liability of the representative member of the group.

Amount

- 7 (1) The amount of the anti-forestalling charge on a chargeable pre-change supply is the amount of VAT that would be chargeable on the supply if it were subject to VAT at 20%.
- This is subject to any reduction under sub-paragraph (2).
- (2) If the chargeable pre-change supply is not wholly linked to the post-change period, the anti-forestalling charge is the relevant proportion of that amount.
- (3) The relevant proportion is—

$$\frac{P}{W}$$

where—

P is so much of the consideration for the chargeable supply as is attributable, on a just and reasonable basis, to that part of the supply (or, in the case of a grant of a right, that part of the supply to which the right relates) which is linked to the post-change period;

W is the whole of the consideration for the chargeable pre-change supply.