

STATUTORY INSTRUMENTS

1995 No. 2518

The Value Added Tax Regulations 1995

PART XXI

REPAYMENTS TO [F¹TRADERS OUTSIDE THE UNITED KINGDOM]

Textual Amendments

- F1** Words in Pt. 21 heading substituted (31.12.2020) by [The Value Added Tax \(Miscellaneous Amendments and Revocations\) \(EU Exit\) Regulations 2019](#) (S.I. 2019/59), regs. 1, **72**; S.I. 2020/1641, reg. 2, **Sch.**

Modifications etc. (not altering text)

- C1** Pt. 21 applied (31.12.2020) by [The Value Added Tax \(Miscellaneous and Transitional Provisions, Amendment and Revocation\) \(EU Exit\) Regulations 2020](#) (S.I. 2020/1495), regs. 1(2), **12**; S.I. 2020/1641, reg. 2, **Sch.**
- C2** Pt. 21 modified (10.6.2021 for specified purposes, 1.7.2021 in so far as not already in force) by [1994 c. 23, Sch. 9ZE para. 41](#) (as inserted by [Finance Act 2021](#) (c. 26), s. 95(6)(a), **Sch. 18 para. 6**; S.I. 2021/770, regs. 3, 4 (with regs. 5-7))

Interpretation of Part XXI

185. —

(1) In this Part—

“claimant” means a person making a claim under this Part or a person on whose behalf a claim is made and any agent acting on his behalf as his VAT representative;

“official authority” means any government body or agency in any country which is recognised by the Commissioners as having authority to act for the purposes of this Part;

“prescribed year” means the period of 12 months beginning on the first day of July in any year;

“VAT representative” means any person established in the United Kingdom and registered for VAT purposes in accordance with the provisions of Schedule 1 to the Act who acts as agent on behalf of a claimant;

F2
...

“trader” means a person carrying on a business who is established [F³outside the United Kingdom] and who is not a taxable person in the United Kingdom.

(2) For the purposes of this Part, a person is treated as being established in a country if—

(a) he has there a business establishment, or

(b) he has no such establishment (there or elsewhere) but his permanent address or usual place of residence is there.

(3) For the purposes of this Part—

- (a) a person carrying on business through a branch or agency in any country is treated as being established there, and
- (b) where the person is a body corporate its usual place of residence shall be the place where it is legally constituted.

Textual Amendments

- F2** Words in [reg. 185\(1\)](#) omitted (31.12.2020) by virtue of [The Value Added Tax \(Miscellaneous Amendments and Revocations\) \(EU Exit\) Regulations 2019 \(S.I. 2019/59\)](#), regs. 1, **73(a)**; S.I. 2020/1641, reg. 2, Sch.
- F3** Words in [reg. 185\(1\)](#) omitted (31.12.2020) by virtue of [The Value Added Tax \(Miscellaneous Amendments and Revocations\) \(EU Exit\) Regulations 2019 \(S.I. 2019/59\)](#), regs. 1, **73(b)**; S.I. 2020/1641, reg. 2, Sch.

Commencement Information

- I1** Reg. 185 in force at 20.10.1995, see [reg. 1](#)

Repayments of VAT

186. Subject to the other provisions of this Part a trader shall be entitled to be repaid VAT charged on goods imported by him into the United Kingdom in respect of which no other relief is available or on supplies made to him in the United Kingdom if that VAT would be [^{F4}, or would be treated as,] input tax of his were he a taxable person in the United Kingdom.

Textual Amendments

- F4** Words in [reg. 186](#) inserted (31.12.2020) by [The Value Added Tax \(Miscellaneous Amendments, Northern Ireland Protocol and Savings and Transitional Provisions\) \(EU Exit\) Regulations 2020 \(S.I. 2020/1545\)](#), regs. 1, **87** (with regs. 109-131); S.I. 2020/1641, reg. 2, Sch.

Commencement Information

- I2** Reg. 186 in force at 20.10.1995, see [reg. 1](#)

VAT representatives

187. The Commissioners may, as a condition of allowing a repayment under this Part, require a trader to appoint a VAT representative to act on his behalf.

Commencement Information

- I3** Reg. 187 in force at 20.10.1995, see [reg. 1](#)

Persons to whom this Part applies

188. —

(1) Save as the Commissioners may otherwise allow, a trader to whom this Part applies who is established in a ^{F5}... country having a comparable system of turnover taxes will not be entitled to any refunds under this Part unless that country provides reciprocal arrangements for refunds to be made to taxable persons who are established in the United Kingdom.

(2) This Part shall apply to any trader but not if during any period determined under regulation 192—

- ^{F6}(a)
- (b) he made supplies in the United Kingdom of goods or services other than—
- (i) transport of freight outside the United Kingdom to or from a place outside the United Kingdom or services ancillary thereto,
 - (ii) services where the VAT on the supply is payable solely by the person to whom they are supplied in accordance with the provisions of section 8 of the Act, and
 - (iii) goods where the VAT on the supply is payable solely by the person to whom they are supplied.

Textual Amendments

- F5** Word in [reg. 188\(1\)](#) omitted (31.12.2020) by virtue of [The Value Added Tax \(Miscellaneous Amendments and Revocations\) \(EU Exit\) Regulations 2019 \(S.I. 2019/59\)](#), [regs. 1, 74\(a\)](#); [S.I. 2020/1641](#), [reg. 2](#), [Sch.](#)
- F6** [Reg. 188\(2\)\(a\)](#) omitted (31.12.2020) by virtue of [The Value Added Tax \(Miscellaneous Amendments and Revocations\) \(EU Exit\) Regulations 2019 \(S.I. 2019/59\)](#), [regs. 1, 74\(b\)](#); [S.I. 2020/1641](#), [reg. 2](#), [Sch.](#)

Commencement Information

- I4** [Reg. 188](#) in force at 20.10.1995, see [reg. 1](#)

Supplies and importations to which this Part applies

189. This Part applies to any supply of goods or services made in the United Kingdom or to any importation of goods into the United Kingdom on or after 1st July 1994 but does not apply to any supply or importation which—

- (a) the trader has used or intends to use for the purpose of any supply by him in the United Kingdom, or
- (b) has been exported or is intended for exportation from the United Kingdom by or on behalf of the trader.

Commencement Information

- I5** [Reg. 189](#) in force at 20.10.1995, see [reg. 1](#)

VAT which will not be repaid

190. —

(1) The following VAT shall not be repaid—

- [^{F7}(za) VAT which the Commissioners would be obliged to repay if it was the subject of a claim made in accordance with Part 20 or Part 20A;]
- (a) VAT charged on a supply which if made to a taxable person would be excluded from any credit under section 25 of the Act,
 - (b) VAT charged on a supply to a travel agent which is for the direct benefit of a traveller other than the travel agent or his employee.

[^{F8}(c) VAT charged on a supply used or to be used in making supplies of a description falling within article 3 of the Value Added Tax (Input Tax) (Specified Supplies) Order 1999.]

(2) In this regulation a travel agent includes a tour operator or any person who purchases and resupplies services of a kind enjoyed by travellers.

Textual Amendments

- F7** Reg. 190(1)(za) inserted (31.12.2020) by The Value Added Tax (Miscellaneous Amendments, Northern Ireland Protocol and Savings and Transitional Provisions) (EU Exit) Regulations 2020 (S.I. 2020/1545), regs. 1, **88** (with regs. 109-131); S.I. 2020/1641, reg. 2, Sch.
- F8** Reg. 190(1)(c) added (with effect in accordance with reg. 2(4) of the amending S.I.) by The Value Added Tax (Amendment) (No. 4) Regulations 2004 (S.I. 2004/3140), regs. 2(4), **15**

Commencement Information

- I6** Reg. 190 in force at 20.10.1995, see **reg. 1**

Method of claiming

191. —

(1) A person claiming a repayment of VAT under this Part shall—

- (a) complete in the English language and send to the Commissioners either [^{F9}the form specified in a notice published by the Commissioners], or a like form produced by any official authority, containing full information in respect of all the matters specified in the said form and a declaration as therein set out, and
- (b) at the same time furnish—
- (i) a certificate of status issued by the official authority of the ^{F10}... country in which the trader is established either on [^{F11}the form specified in a notice published by the Commissioners] or on a like form produced by the official authority, and
- (ii) such documentary evidence of an entitlement to deduct input tax as may be required of a taxable person claiming a deduction of input tax in accordance with the provisions of regulation 29.

(2) Where the Commissioners are in possession of a certificate of status issued not more than 12 months before the date of the claim, the claimant shall not be required to furnish a further such certificate.

(3) The Commissioners shall refuse to accept any document referred to in paragraph (1)(b)(ii) above if it bears an official stamp indicating that it had been furnished in support of an earlier claim.

Textual Amendments

- F9** Words in reg. 191(1)(a) substituted (15.10.2012) by The Value Added Tax (Amendment) (No. 2) Regulations 2012 (S.I. 2012/1899), regs. 2(2), **20(a)**
- F10** Word in reg. 191(1)(b)(i) omitted (31.12.2020) by virtue of The Value Added Tax (Miscellaneous Amendments and Revocations) (EU Exit) Regulations 2019 (S.I. 2019/59), regs. 1, **75**; S.I. 2020/1641, reg. 2, Sch.
- F11** Words in reg. 191(1)(b)(i) substituted (15.10.2012) by The Value Added Tax (Amendment) (No. 2) Regulations 2012 (S.I. 2012/1899), regs. 2(2), **20(b)**

Commencement Information

I7 Reg. 191 in force at 20.10.1995, see [reg. 1](#)

Time within which a claim must be made

192. —

(1) A claim shall be made not later than 6 months after the end of the prescribed year in which the VAT claimed was charged and shall be in respect of VAT charged on supplies or on importations made during a period of not less than 3 months and not more than 12 months, provided that a claim may be made in respect of VAT charged on supplies or on importations made during a period of less than 3 months where that period represents the final part of the prescribed year.

(2) No claim shall be made for less than £16.

(3) No claim shall be made for less than £130 in respect of VAT charged on supplies or on importations made during a period of less than the prescribed year except where that period represents the final part of the prescribed year.

Commencement Information

I8 Reg. 192 in force at 20.10.1995, see [reg. 1](#)

Deduction of bank charges

193. Where any repayment is to be made to a claimant in the country in which he is established, the Commissioners may reduce the amount of the repayment by the amount of any bank charges or costs incurred as a result thereof.

Commencement Information

I9 Reg. 193 in force at 20.10.1995, see [reg. 1](#)

Treatment of claim ^{F12}...

194. For the purposes of section 73 of the Act any claim made under this Part shall be treated as a return required under paragraph 2 of Schedule 11 to the Act [^{F13}made in respect of a prescribed accounting period].

^{F14}**195.**

Textual Amendments

F12 Words in [reg. 194](#) heading omitted (1.1.2010) by virtue of [The Value Added Tax \(Amendment\) \(No. 5\) Regulations 2009 \(S.I. 2009/3241\)](#), [regs. 1, 17](#) (with [reg. 18](#))

F13 Words in [reg. 194](#) inserted (1.1.2010) by [The Value Added Tax \(Amendment\) \(No. 5\) Regulations 2009 \(S.I. 2009/3241\)](#), [regs. 1, 16\(1\)](#) (with [reg. 18](#))

F14 [Reg. 195](#) omitted (1.1.2010) by virtue of [The Value Added Tax \(Amendment\) \(No. 5\) Regulations 2009 \(S.I. 2009/3241\)](#), [regs. 1, 17](#) (with [reg. 18](#))

Commencement Information

I10 Reg. 194 in force at 20.10.1995, see [reg. 1](#)

False, altered or incorrect claims

196. If any claimant furnishes or sends to the Commissioners for the purposes of this Part any document which is false or which has been altered after issue to that person, the Commissioners may refuse to repay any VAT claimed by that claimant for the period of 2 years from the date when the claim, in respect of which the false or altered documents were furnished or sent, was made.

197. Where any sum has been repaid to a claimant as a result of an incorrect claim, the amount of any subsequent repayment to that claimant may be reduced by the said sum.

Commencement Information

- I11** Reg. 196 in force at 20.10.1995, see [reg. 1](#)
- I12** Reg. 197 in force at 20.10.1995, see [reg. 1](#)

Changes to legislation:

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