
STATUTORY INSTRUMENTS

1995 No. 2518

The Value Added Tax Regulations 1995

PART II

REGISTRATION AND PROVISIONS FOR SPECIAL CASES

Transfer of a going concern

6. —

(1) Where—

- (a) a business [^{F1}or part of a business] is transferred as a going concern,
- (b) the registration under Schedule 1 [^{F2}or 1A] to the Act of the transferor has not already been cancelled,
- (c) on the transfer of the business [^{F3}or part of it] the registration of the transferor [^{F4}under either Schedule] is to be cancelled and either the transferee becomes liable to be registered [^{F4}under either Schedule] or the Commissioners agree to register him [^{F4}under paragraph 9 of Schedule 1 to the Act], and
- (d) an application is made in [^{F5}the form specified in a notice published by the Commissioners] by or on behalf of both the transferor and the transferee of that business [^{F6}or the part transferred],

the Commissioners may as from the date of the said transfer [^{F7}cancel the registration under Schedule 1 or 1A to the Act of the transferor and register the transferee under Schedule 1 or 1A to the Act as appropriate with the registration number previously allocated to the transferor].

(2) An application under paragraph (1) above shall constitute notification for the purposes of paragraph 11 of Schedule 1 [^{F8}or paragraph 7 of Schedule 1A] to the Act.

(3) Where the transferee of a business [^{F9}or part of a business] has under paragraph (1) above been registered under Schedule 1 [^{F10}or 1A] to the Act in substitution for the [^{F11}transferor of it], and with the transferor's registration number—

- (a) any liability of the transferor existing at the date of the transfer to make a return or to account for or pay VAT under regulation 25 or [^{F12}40] shall become the liability of the transferee,
- (b) any right of the transferor, whether or not existing at the date of the transfer, to credit for, or to repayment of, input tax shall become the right of the transferee, ^{F13}...
- (c) any right of either the transferor, whether or not existing at the date of the transfer, or the transferee to payment by the Commissioners under section 25(3) of the Act shall be satisfied by payment to either of them^{F14},
- (d) any right of the transferor, whether or not existing at the date of the transfer, to claim a refund under section 36 of the Act shall become the right of the transferee, [^{F15}and]

- (e) any liability of the transferor, whether or not existing at the date of the transfer, to account for an amount under Part XIXA of these Regulations, shall become that of the transferee^[F16], and
- (f) any records relating to the business which, by virtue of these Regulations or a direction made by the Commissioners, are required to be preserved for any period after the transfer shall be preserved by the transferee unless the Commissioners, at the request of the transferor, otherwise direct.]

(4) In addition to the provisions set out in paragraph (3) above, where the transferee of a business ^[F17]or part of a business] has been registered in substitution for, and with the registration number of, the transferor during a prescribed accounting period ^[F18]subsequent to that in which the transfer took place] but with effect from ^[F19]the date of the transfer], and any—

- (a) return has been made,
- (b) VAT has been accounted for and paid, or
- (c) right to credit for input tax has been claimed,

either by or in the name of the transferee or the transferor, it shall be treated as having been done by the transferee.

Textual Amendments

- F1** Words in [reg. 6\(1\)\(a\)](#) inserted (1.9.2007 with effect in relation to transfers of going concerns pursuant to contracts entered into on or after that date) by [The Value Added Tax \(Amendment\) \(No. 5\) Regulations 2007 \(S.I. 2007/2085\)](#), [regs. 1\(2\)\(b\)](#), **3(a)**
- F2** Words in [reg. 6\(1\)\(b\)](#) inserted (15.10.2012) by [The Value Added Tax \(Amendment\) \(No. 2\) Regulations 2012 \(S.I. 2012/1899\)](#), [regs. 2\(2\)](#), **7(a)(i)**
- F3** Words in [reg. 6\(1\)\(c\)](#) inserted (1.9.2007 with effect in relation to transfers of going concerns pursuant to contracts entered into on or after that date) by [The Value Added Tax \(Amendment\) \(No. 5\) Regulations 2007 \(S.I. 2007/2085\)](#), [regs. 1\(2\)\(b\)](#), **3(b)**
- F4** Words in [reg. 6\(1\)\(c\)](#) substituted (15.10.2012) by [The Value Added Tax \(Amendment\) \(No. 2\) Regulations 2012 \(S.I. 2012/1899\)](#), [regs. 2\(2\)](#), **7(a)(ii)**
- F5** Words in [reg. 6\(1\)\(d\)](#) substituted (15.10.2012) by [The Value Added Tax \(Amendment\) \(No. 2\) Regulations 2012 \(S.I. 2012/1899\)](#), [regs. 2\(2\)](#), **7(a)(iii)**
- F6** Words in [reg. 6\(1\)\(d\)](#) inserted (1.9.2007 with effect in relation to transfers of going concerns pursuant to contracts entered into on or after that date) by [The Value Added Tax \(Amendment\) \(No. 5\) Regulations 2007 \(S.I. 2007/2085\)](#), [regs. 1\(2\)\(b\)](#), **3(c)**
- F7** Words in [reg. 6\(1\)](#) substituted (15.10.2012) by [The Value Added Tax \(Amendment\) \(No. 2\) Regulations 2012 \(S.I. 2012/1899\)](#), [regs. 2\(2\)](#), **7(a)(iv)**
- F8** Words in [reg. 6\(2\)](#) inserted (15.10.2012) by [The Value Added Tax \(Amendment\) \(No. 2\) Regulations 2012 \(S.I. 2012/1899\)](#), [regs. 2\(2\)](#), **7(b)**
- F9** Words in [reg. 6\(3\)](#) inserted (1.9.2007 with effect in relation to transfers of going concerns pursuant to contracts entered into on or after that date) by [The Value Added Tax \(Amendment\) \(No. 5\) Regulations 2007 \(S.I. 2007/2085\)](#), [regs. 1\(2\)\(b\)](#), **4(a)**
- F10** Words in [reg. 6\(3\)](#) inserted (15.10.2012) by [The Value Added Tax \(Amendment\) \(No. 2\) Regulations 2012 \(S.I. 2012/1899\)](#), [regs. 2\(2\)](#), **7(c)**
- F11** Words in [reg. 6\(3\)](#) substituted (1.9.2007 with effect in relation to transfers of going concerns pursuant to contracts entered into on or after that date) by [The Value Added Tax \(Amendment\) \(No. 5\) Regulations 2007 \(S.I. 2007/2085\)](#), [regs. 1\(2\)\(b\)](#), **4(b)**
- F12** Word in [reg. 6\(3\)\(a\)](#) substituted (22.7.2004) by [The Value Added Tax \(Amendment\) \(No. 3\) Regulations 2004 \(S.I. 2004/1675\)](#), [regs. 1\(1\)](#), **3**
- F13** Word in [reg. 6\(3\)\(b\)](#) omitted (1.5.1997) by virtue of [The Value Added Tax \(Amendment\) Regulations 1997 \(S.I. 1997/1086\)](#), [regs. 1](#), **3(a)**

- F14** Reg. 6(3)(d)(e) added (1.5.1997) by The Value Added Tax (Amendment) Regulations 1997 (S.I. 1997/1086), regs. 1, **3(b)**
- F15** Word in reg. 6(3)(d) omitted (1.9.2007 with effect in relation to transfers of going concerns pursuant to contracts entered into on or after that date) by virtue of The Value Added Tax (Amendment) (No. 5) Regulations 2007 (S.I. 2007/2085), regs. 1(2)(b), **4(c)**
- F16** Reg. 6(3)(f) and word inserted (1.9.2007 with effect in relation to transfers of going concerns pursuant to contracts entered into on or after that date) by The Value Added Tax (Amendment) (No. 5) Regulations 2007 (S.I. 2007/2085), regs. 1(2)(b), **4(d)**
- F17** Words in reg. 6(4) inserted (1.9.2007 with effect in relation to transfers of going concerns pursuant to contracts entered into on or after that date) by The Value Added Tax (Amendment) (No. 5) Regulations 2007 (S.I. 2007/2085), regs. 1(2)(b), **5(a)**
- F18** Words in reg. 6(4) substituted (1.9.2007 with effect in relation to transfers of going concerns pursuant to contracts entered into on or after that date) by The Value Added Tax (Amendment) (No. 5) Regulations 2007 (S.I. 2007/2085), regs. 1(2)(b), **5(b)**
- F19** Words in reg. 6(4) substituted (1.9.2007 with effect in relation to transfers of going concerns pursuant to contracts entered into on or after that date) by The Value Added Tax (Amendment) (No. 5) Regulations 2007 (S.I. 2007/2085), regs. 1(2)(b), **5(c)**

Commencement Information

- I1** Reg. 6 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, Section 6.