
 S T A T U T O R Y I N S T R U M E N T S

2000 No. 258

VALUE ADDED TAX

The Value Added Tax (Amendment) Regulations 2000

Made - - - - - *8th February 2000*

Laid before the House of Commons *8th February 2000*

Coming into force in accordance with Regulation 1

The Commissioners of Customs and Excise, in exercise of the powers conferred on them by sections 25(1), 26(1), (3) and (4), 30(8) and 58 of, and paragraph 2(1) and (11) of Schedule 11 to, the Value Added Tax Act 1994(a), sections 132 and 133 of the Finance Act 1999(b) and of all other powers enabling them in that behalf, hereby make the following Regulations:

1.—(1) These Regulations may be cited as the Value Added Tax (Amendment) Regulations 2000.

(2) These Regulations, except regulation 6 below, shall come into force on 1st March 2000.

(3) Regulation 6 below shall come into force on 1st April 2000.

2. The Value Added Tax Regulations 1995(c) shall be amended in accordance with the following regulations.

3.—(1) In paragraph (1) of regulation 25 the expression “(“Form 4”)” shall be inserted immediately after “these Regulations”.

(2) In paragraph (4) of regulation 25 the expression “(“Form 5”)” shall be inserted immediately after “these Regulations”.

(3) The following paragraphs shall be inserted immediately after paragraph (4) of regulation 25—

“(4A) A person may make a return required by this regulation on an electronic version of Form 4 or Form 5 (as appropriate) using electronic communications.

(4B) Such a method of making a return shall be referred to in this Part as an “electronic return system”.

(4C) A person may only make a return by way of an electronic return system on condition that—

(a) the electronic return system in question takes a form approved by the Commissioners in a specific or general direction; and

(b) that person remains authorised by the Commissioners in accordance with paragraph (4G) below.

(4D) No return shall be treated as having been made under paragraph (4A) above unless the conditions imposed by paragraph (4C) above are satisfied.

(4E) An electronic return system shall incorporate an electronic validation process.

(a) 1994 c. 23; section 96(1) defines “the Commissioners” as meaning the Commissioners of Customs and Excise and “regulations” as meaning regulations made by the Commissioners.

(b) 1999 c. 16.

(c) S.I. 1995/2518; relevant amending instruments are S.I. 1996/1250, 1997/1614.

- (4F) Subject to paragraph (4D) above—
- (a) the use of an electronic return system shall be proved to have resulted in the making of the return to the Controller only if this has been successfully recorded as such by the relevant electronic validation process;
 - (b) the time of making the return to the Controller using an electronic return system shall be conclusively presumed to be the time recorded as such by the relevant electronic validation process; and
 - (c) the person making the return to the Controller shall be presumed to be the person identified as such by any relevant feature of the electronic return system.
- (4G) The Commissioners may on application authorise a person to make returns using an electronic return system and may revoke any such authorisation.
- (4H) The Commissioners shall pay proper regard to the following factors before authorising a person or revoking an authorisation under paragraph (4G) above—
- (a) the state of development of any relevant electronic return system;
 - (b) the protection of the revenue;
 - (c) the degree of compliance of the person concerned with this Part; and
 - (d) any other relevant factor.
- (4I) A person shall not be authorised to make returns using an electronic return system only by reason of being—
- (a) registered under regulation 6 above in substitution for a person who has been so authorised (transfer of a going concern); or
 - (b) required by the Commissioners under regulation 30 below to comply with the requirements of this Part (person acting in a representative capacity).
- (4J) The electronic versions of Forms 4 and 5 shall not differ in any material respect from those in Schedule 1 to these Regulations but may include relevant modifications.
- (4K) Paragraphs (1) and (4) above shall have effect in relation to a return made by way of an electronic return system as if the expression “, signed by him,” were omitted.
- (4L) Paragraphs (4A) to (4K) above shall not be taken as affecting any provision except in relation to the means of making a return to the Controller.”.
4. The following shall be inserted immediately after paragraph (2) of regulation 40—
- “(2A) Where a return is made in accordance with regulation 25 above using an electronic return system, the relevant payment to the Controller required by paragraph (2) above shall be made solely by means of electronic communications that are acceptable to the Commissioners for this purpose.”.
5. In regulation 115(3)—
- (a) for “£250” there shall be substituted “the sum specified in paragraph 8(1) of Schedule 4 to the Act”; and
 - (b) for “pursuant to paragraph 8(1) of Schedule 4 to the Act” there shall be substituted “pursuant to that paragraph”.
6. In regulations 132 and 133 the word “new” shall be omitted.

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8th February 2000

Martin Brown
Commissioner of Customs and Excise

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations amend the Value Added Tax Regulations S.I. 1995 No. 2518 (“the principal Regulations”).

Regulation 3 amends regulation 25 of the principal Regulations as from 1 March 2000. Provision is accordingly made for persons who apply to and are authorised by the Commissioners of Customs and Excise to make their VAT returns using approved forms of electronic communications (which could include the Internet). Certain formalities are provided for to take account of the special characteristics of electronic communications.

Regulation 4 amends regulation 40 of the principal Regulations as from 1 March 2000 so that a person making a VAT return using electronic communications must also make the corresponding payment electronically.

Regulation 5 amends regulation 115(3) of the principal Regulations as from 1 March 2000 to provide for any variation of the sum specified in sub-paragraph (1)(c) of paragraph 8 of Schedule 4 to the Value Added Tax Act 1994.

Regulation 6 amends regulations 132 and 133 of the principal Regulations as from 1 April 2000. In each case the word “new” is omitted. Provision is accordingly made for the supply of used motor vehicles to be zero-rated for VAT under the existing scheme which has, until now, applied only to new motor vehicles. These amendments implement Article 15(2) of Council Directive 77/388/EEC (O.J. L. 145, 13.6.1977, p.1) (as amended by Council Directive 95/7/EC (O.J. L. 102, 5.5.1995, p.18)).

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