
STATUTORY INSTRUMENTS

2003 No. 3220

The Value Added Tax (Amendment) (No. 6) Regulations 2003

PART 2

INVOICING

3. Before regulation 13 insert—

“Interpretation of Part 3

A13. In this Part—

- (a) “advanced electronic signature” means an electronic signature which meets the following requirements—
 - (i) it is uniquely linked to the signatory;
 - (ii) it is capable of identifying the signatory;
 - (iii) it is created using means that the signatory can maintain under his sole control; and
 - (iv) it is linked to the data to which it relates in such a manner that any subsequent change of the data is detectable;
- (b) “electronic data interchange” or “EDI” means the electronic transfer, from computer to computer, of commercial and administrative data using an agreed standard to structure an EDI message;
- (c) “EDI message” means a set of segments, structured using an agreed standard, prepared in a computer readable format and capable of being automatically and unambiguously processed;
- (d) “electronic signature” means data in electronic form which are attached to or logically associated with other electronic data and which serve as a method of authentication;
- (e) “electronic storage of invoices” means storage using electronic equipment for processing (including digital compression) and storage of data employing wires, radio transmission, optical technologies or other electromagnetic means;
- (f) “electronic transmission” in relation to invoices means transmission or making available to the recipient using electronic equipment employing wires, radio transmission, optical technologies or other electromagnetic means;
- (g) “signatory” means a person who holds a signature-creation device and acts either on his own behalf or on behalf of the natural or legal person or entity he represents.”.

4. In regulation 13—

- (a) for paragraph (3) substitute—

“(3) Where a registered person provides a document to himself (“a self-billed invoice”) that purports to be a VAT invoice in respect of a supply of goods or services to him by another registered person, that document shall be treated as the VAT invoice required to be provided by the supplier under paragraph (1)(a) if it complies with the conditions set out in paragraph (3A) and with any further conditions that may be contained in a notice published by the Commissioners or may be imposed in a particular case.”,

(b) after paragraph (3) insert—

“(3A) The following conditions must be complied with if a self-billed invoice is to be treated as a VAT invoice—

- (a) it must have been provided pursuant to a prior agreement (“a self-billing agreement”) entered into between the supplier of the goods or services to which it relates and the recipient of the goods or services (“the customer”) and which satisfies the requirements in paragraph (3B);
- (b) it must contain the particulars required under regulation 14(1) or (2);
- (c) it must relate to a supply or supplies made by a supplier who is a taxable person.

(3B) A self-billing agreement must—

- (a) authorise the customer to produce self-billed invoices in respect of supplies made by the supplier for a specified period which shall end not later than either—
 - (i) the expiry of a period of 12 months, or
 - (ii) the expiry of the period of any contract between the customer and the supplier for the supply of the particular goods or services to which the self-billing agreement relates;
- (b) specify that the supplier will not issue VAT invoices in respect of supplies covered by the agreement;
- (c) specify that the supplier will accept each self-billed invoice created by the customer in respect of supplies made to him by the supplier;
- (d) specify that the supplier will notify the customer if he ceases to be a taxable person or if he changes his registration number.

(3C) Without prejudice to any term of a self-billing agreement, it shall be treated as having expired when—

- (a) the business of the supplier is transferred as a going concern;
- (b) the business of the customer is transferred as a going concern;
- (c) the supplier ceases to be registered for VAT.

(3D) In addition to the matters set out in paragraph (3B)—

- (a) conditions that must be complied with may be set out in a notice published by the Commissioners;
- (b) the Commissioners may impose further conditions in particular cases.

(3E) Where a customer in another member State provides a document to himself in respect of a supply of goods or services to him by a registered person, that document shall be treated as the VAT invoice required to be provided by the supplier under paragraph 1(b) or (c) if it complies with the conditions set out in paragraph (3A).

(3F) For the purposes of the following, a self-billed invoice will not be treated as issued by the supplier (however the supplier may be described in the provision concerned)—

- (a) regulation 84(2)(b)(ii);
- (b) regulation 85(1)(b);

- (c) regulation 85(2);
- (d) regulation 86(1);
- (e) regulation 86(2)(b);
- (f) regulation 86(3);
- (g) regulation 88(1)(b);
- (h) regulation 89(b)(ii);
- (i) regulation 90(1)(b);
- (j) regulation 90(2);
- (k) regulation 91;
- (l) regulation 92(b);
- (m) regulation 93(1)(b);
- (n) regulation 94B(6)(a).”.

5. After regulation 13 insert—

“Electronic invoicing

13A.—(1) This regulation applies where a document is provided by a registered person by electronic transmission that purports to be a VAT invoice in respect of a supply of goods or services.

(2) The document is not to be treated as the VAT invoice required to be provided by the supplier under regulation 13(1) unless—

- (a) both the supplier and the customer are able to guarantee the authenticity of the origin and integrity of the contents by one of the following means—
 - (i) an advanced electronic signature;
 - (ii) EDI;
 - (iii) where the document relates to supplies of goods or services made in the United Kingdom, such other electronic means as may be approved by the Commissioners in any particular case;
- (b) the supplier has complied with any conditions imposed by the Commissioners.

(3) When the document is a self-billed invoice that purports to be a VAT invoice, paragraph (2)(b) applies as if the reference to the supplier is to the customer.

(4) Where an invoice has been provided or received that meets the conditions in paragraph (2) the supplier and the customer must preserve the means adopted for guaranteeing the authenticity of the origin and integrity of the contents under paragraph 2(a) for such time as the invoice is preserved.”.

6. After regulation 13A insert—

“13B. Where a VAT invoice or part of a VAT invoice is in a language other than English the Commissioners may, by notice in writing, require that an English translation of the invoice is provided to them by a person who has received such an invoice in the United Kingdom within 30 days of the date of the notice.”.

7. In regulation 14(1)—

- (a) omit sub-paragraphs (f) and (k),
- (b) in sub-paragraph (h) for “sterling” substitute “any currency”,

- (c) in sub-paragraph (i) for “sterling” substitute “any currency”,
 - (d) after sub-paragraph (l) add “(m) the unit price.”.
- 8.** In regulation 14(2)—
- (a) for the words at the beginning substitute—

“Save as the Commissioners may otherwise allow, where a registered person provides a person in another member State with a VAT invoice or any document that refers to a VAT invoice and is intended to amend it, he must ensure that it states thereon the following particulars—”,
 - (b) in sub-paragraph (a) for “(a) to (g) and (j)” substitute “(a) to (e), (g), (j) and (m)”,
 - (c) in sub-paragraph (g) for “sub-paragraphs (k) and (l)” substitute “sub-paragraph (l)”.
- 9.** After regulation 14(6) insert—
- “(7) Where a registered person provides documents in batches to the same recipient by electronic transmission that purport to be VAT invoices in respect of supplies of goods or services made to, or received by, him, as an exception to the requirements in regulation 14(1) and 14(2), details common to each such document need only be stated once for each batch file.”.
- 10.** In regulation 16(1) for “£100” substitute “£250”.
- 11.** In regulation 31(1) after sub-paragraph (i) insert—
- “(j) a copy of any self-billing agreement within regulation 13(3A) to which he is a party;
 - (k) where he is a customer, party to a self-billing agreement within regulation 13(3A), the name, address and VAT registration number of each supplier with whom he has entered into a self-billing agreement.”.
- 12.** In regulation 83 for the words after “supplier” substitute—
- “or the customer and which, in either case, is issued under the provisions of the law of the member State where the goods were supplied, corresponding in relation to that member State to the provisions of regulations 13, 13A and 14.”.
- 13.** In regulation 84(2)(a) omit “, (9)”.
- 14.** In regulation 87 for the words after “occasion that” substitute “an invoice such as is described in regulation 83 is issued.”.
- 15.** In regulation 88(2) after “appropriated” insert “or a self-billed invoice fulfilling the conditions in regulation 13(3A) is issued by the customer”.
- 16.** In regulation 89(a) omit “(9)”.