

**No. 51****THE VALUE ADDED TAX ORDINANCE 2001**

(Ordinance 10 of 2001 as amended by Ordinances 16 of 2002 and 36 of 2002, Public Instrument 18 of 2003 and Ordinance 38 of 2003)

**DIRECTIONS MADE BY THE COMMISSIONER OF  
VALUE ADDED TAX UNDER SECTION 20(4) OF THE  
VALUE ADDED TAX ORDINANCE 2001**

In exercise of the powers vested in him under section 20(4) of the Value Added Tax Ordinance 2001, the Commissioner of Value Added Tax hereby makes the following directions—

**1.** These directions apply to any taxable person carrying on any business falling within any of the following descriptions—

- (1) Retail.
- (2) Restaurant etc.
- (3) Hotel etc.
- (4) Construction business etc.
- (5) Services.
- (6) Transport etc.

**2.** In these directions, unless the context otherwise requires—

“claim” means a claim made by a taxable person for the payment to him by the Commissioner of a VAT credit and made in the form in the Schedule to these directions; and cognate expressions shall be construed accordingly.

**3.** Any VAT credit included in any tax return of a taxable person shall be transferred to the credit of that person for his next prescribed tax period.

**4.** Paragraph 3 above shall not apply, and the VAT credit shall accordingly be paid to the taxable person by the Commissioner if and to the extent that such VAT credit—

- (a) is, in the circumstances of the case, impossible to be transferred to the credit of the taxable person and set off by the last prescribed tax period of the year following the year within which falls the prescribed tax period in which the VAT credit arose; or
- (b) has remained to the credit of the taxable person for a period of three years from the end of the prescribed tax period in which it arose; or
- (c) relates to input tax incurred on supplies of goods and services or on the importation of goods used by the taxable person to make zero-rated supplies; or
- (d) relates to supplies which were made outside the Areas but which would have been taxable supplies if they had been made in the Areas; or
- (e) relates to the acquisition of the following descriptions of capital assets of the taxable person—
  - (i) tangible property used by him on a continuing basis in his business (but excluding from the VAT credit any input tax incurred in relation to any repairs or maintenance of the property); and

- (ii) any rights to use patents, designs, models, trade or industrial marks and other similar rights, if they serve more than one use.

**5.** Subject to paragraph 4 above, a taxable person who intends to make a claim for payment of a VAT credit, shall submit an application for such payment by the Commissioner for all or part of that VAT credit with his tax return for the prescribed tax period within which the VAT credit in question arose, or at any later time.

**6.** A taxable person claiming payment of a VAT credit shall comply fully with the directions which are given on the reverse of the application form in order to support the claim and shall enter at the appropriate place on the application form the amount that he is claiming.

**7.** If the Commissioner is satisfied that any claim for the payment of a VAT credit is justified, he shall pay to the claimant—

- (a) the amount claimed in box 6 of the application for payment of VAT credit; or
- (b) if it is lower than the amount described in subparagraph (a) above, the amount shown as VAT to be refunded in box 3 of the tax return of the taxable person for the prescribed tax period to which his application relates.

SCHEDULE

**Sovereign Base Areas  
Value Added Tax**

**Stamp of receipt**

**CLAIM BY A TAXABLE PERSON FOR THE PAYMENT TO HIM OF A  
VAT CREDIT BY THE COMMISSIONER**

Registration number in the VAT Register	
Name of registered person	

This application relates to my  to   
tax return for the period from:

I claim the payment of a VAT credit by the Commissioner on the grounds that the amount claimed:

	Pounds	Cents
(1) is, under the circumstances, impossible to be transferred to my credit in order to be set off by the last prescribed tax period of the year following the year within which falls the prescribed tax period in which this VAT credit arose;		
(2) has remained to my credit for a period of three years from the end of the prescribed tax period within which it arose;		
(3) relates to input tax incurred on supplies of goods and services or on the importation of goods used by me to make zero-rated supplies;		
(4) relates to supplies which were made outside the Areas but which would have been taxable supplies if they had been made in the Areas;		
(5) relates to capital assets acquired by me.		
(6) Total VAT credit claimed:		

I accept responsibility to present such particulars as may be required to support my claim.

**STATEMENT:** I declare that the information contained in this form is complete and accurate.

Full name ..... Contact number .....

Signature ..... Date .....

Capacity: self-employed/partner/director/authorised person (delete as appropriate).

**CAUTION:** Before you complete the form please read carefully the directions on the reverse side.

<b>For official use</b>	
Recommendation:	£ <input style="width: 80%; height: 20px;" type="text"/>
Name of officer .....Code.....Signature.....	
Approval:	£ <input style="width: 80%; height: 20px;" type="text"/>
Name of officer .....Code.....Signature.....	

**Directions with which you must comply in order for your application to be considered as completed correctly.**

**Box 1**

In this box enter any amount of your VAT credit which cannot be transferred to your credit and set off by the last prescribed tax period of the year following the year within which falls the prescribed tax period in which the VAT credit that you are claiming arose. Your claim must be accompanied by a written statement which gives full details as to why it is impossible to transfer your VAT credit to a later tax period or to set it off against your output tax.

**Box 2**

In this box enter any amount of VAT which has remained to your credit for a period of three years from the end of the prescribed tax period within which it arose. The claim may not be for an amount exceeding the lowest amount of VAT credit appearing on any tax return which you have submitted during the three years period immediately preceding your claim.

**Box 3**

In this box enter any amount of VAT in respect of zero-rated supplies that you have made. If the whole amount of your VAT credit arises from zero-rated supplies made by you during the prescribed tax period mentioned in this claim you must enter that amount in this Box. If however the whole amount of your VAT credit does not arise from zero-rated supplies made by you, you must make a reasonable estimate of the amount of input tax attributable to your zero-rated supplies made during the prescribed tax period mentioned in this claim. The amount estimated may not exceed the product of the value of zero-rated supplies made by you during the period and the standard rate of VAT.

**Box 4**

In this box enter any amount of VAT relating to supplies which you made outside the Areas but which would have been taxable if you had made them in the Areas. You must have all the relevant VAT invoices or tax documents concerning such supplies.

**Box 5**

In this box enter any amount of VAT relating to your acquisition for use in your business of capital assets of the following descriptions—

- (i) tangible property used on a continuing basis (but you must exclude from your claim any VAT charged in respect of repairs or maintenance of the asset); and
- (ii) the rights to use patents, designs, models, trade or industrial marks and other similar rights, if they serve more than one use.

You must have all the relevant VAT invoices or customs documents relating to the purchase or importation of the capital assets.

**Box 6**

In this box enter the aggregate of the amounts appearing in boxes (1), (2), (3), (4) and (5). Please note that where this amount differs from

the amount appearing in box 3 of the relevant tax return then the lower amount will be paid to you.

**Note:** This claim may be submitted together with the tax return for the prescribed tax period within which the VAT credit arose, or at any later time.

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Dated this 23 day of March 2004.

Arthur Dunlop  
Commissioner of Value Added Tax  
Sovereign Base Areas.

(SBA/128/210/1)

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