

No. 14**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 Ordinances 38 of 2003, 25 of 2004 and 41 of 2004)

**REGULATIONS MADE BY THE ADMINISTRATOR
UNDER SECTION 43 AND PARAGRAPH 11 OF
THE TENTH SCHEDULE**

In exercise of his powers under section 43 of the Value Added Tax Ordinance 2001^(a) as amended by section 39 of the Value Added Tax (Amendment) (No. 2) Ordinance 2004^(b), and under paragraph 11 of the Tenth Schedule to the Value Added Tax Ordinance 2001^(c), the Administrator hereby makes the following Regulations:—

Citation

1. These Regulations may be cited as the Value Added Tax (Cancellation of Debts) Regulations 2006.

Application to cancel a debt

2.—(1) Where the Commissioner is of the opinion that it is impossible to recover an amount (“the debt”) of VAT, penalty, interest or surcharge due to the Administration from any person (“the debtor”) due to the circumstances of the debtor, he may make an application to the Administrator for permission to write off the debt.

(2) Before he may make an application such as is described in paragraph (1) above, the Commissioner must have—

- (a) considered all the remedies that are available in law to recover the debt; and
- (b) pursued all of such remedies as in all the circumstances of the case it is reasonable for him to pursue, having regard in particular to the prospects of a particular remedy being successful in securing payment of the debt.

(3) Where the Commissioner makes an application such as is described in paragraph (1) above he shall include with his application a full report describing—

- (a) the amount of the debt and how it is arose ;
- (b) which remedies (if any) have been tried in order to recover the debt;
- (c) which remedies (if any) have not been tried and the reasons for that;
- (d) the circumstances of the debtor;
- (e) the reasons as to why the Commissioner has formed the opinion that it is impossible to recover the debt.

(a) Ordinance 10/2001.

(b) Ordinance 41/2004.

(c) The Tenth Schedule is amended by section 57 of Ordinance 41/2004.

Cancellation of a debt

3. Where, having considered an application such as is described in regulation 2 above, the Administrator is satisfied that it is impossible for a debt to be recovered, he may give his permission, which shall be in writing, for the Commissioner to write off the debt.

Dated this 19th day of January 2006.

By the Administrator's Command,
P. D. Draycott,
Chief Officer,
Sovereign Base Areas.

(128/210/10)