



VALUE ADDED TAX

VALUE ADDED TAX (PAYMENTS ON ACCOUNT) REGULATIONS 1993

*Laid before Tynwald* 16th February, 1993

*Coming into operation* 16th February 1993

In exercise of the powers conferred on the Treasury by sections 37F(3), (4) and (5) and 44(1) of the Value Added Tax and Other Taxes Act 1973(a) and of all other powers enabling it in that behalf, the following Regulations are hereby made:

Citation and commencement

1. These Regulations may be cited as the Value Added Tax (Payments on Account) Regulation 1993 and shall come into operation on 16th February 1993.

Interpretation

2. In these Regulations "payments on account" has the same meaning as in the Value Added Tax (Payments on Account) Order 1992(b).

3. Save in a case to which regulation 6 applies, the Treasury shall give a taxable person who is under a duty to make payments on account notification in writing of-

- (a) the amounts that he is under a duty to pay;
- (b) how those amounts have been calculated; and
- (c) the times for payment of those amounts.

4. Save in a case to which regulation 6 applies, if in respect of a prescribed accounting period the total amount of the payments on account made by the taxable person exceeds the amount of tax due from him in respect of that period, the amount of the excess shall be paid to him by the Treasury if and to the extent that it is not required by section 3(5A) of the Value Added Tax and Other Taxes Act 1973 to be set against any sum which he is liable to pay to it.

5. Where a taxable person fails to make a payment on account by the last day by which he is required to make it, that payment on account shall be recoverable as if it were tax due from him.

6. (1) In this regulation-

- (a) "body corporate" means a body corporate under a duty to make payments of article 11 of the Value Added Tax (Account) Order 1992; and
- (b) "relevant division" means a division of a body corporate by reference to the business of that body corporate in respect of which that body corporate is under such a duty.

(2) The Treasury shall give to a relevant division notification in writing of-

- (a) the amounts of the payment on account that the body corporate is under a duty to make by reference to the business of that division;
- (b) how those amounts have been calculated; and
- (c) the times for payment of those amounts.

(3) If in respect of a prescribed accounting period the total amount of the payments on account made by a body corporate by reference to the business of a particular relevant division exceeds the amount of tax due from the body corporate in respect of that period by reference to that business, the amount of the excess shall be paid to the body corporate through that division by the Treasury if and to the extent that it is not required by section 3(5A) of the Value Added Tax and Other Taxes Act 1973 to be set against any sum which the body corporate is liable to pay to it.

(4) Section 3(5A) of the Value Added Tax and Other Taxes Act 1973 shall not require any amount which is due to be paid by the Treasury to a body corporate under paragraph (3) by reference to the business of a particular relevant division to be set against any sum due from the body corporate otherwise than by reference to that business or to the liabilities of the body corporate arising in connection with that division.

Made this                      27th                      day of                      January                      1993



Minister for the Treasury

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations contain provisions supplementary to the Value Added Tax (Payments on Account) Order 1993 and provide for-

- (a) notification to a taxable person who is required to make payments on account under the Order (regulation 3).
- (b) payment of the excess to a taxable person where the payments on account made in respect of a period exceed the tax due (regulation 4).
- (c) recovery of payments on account (regulation 5), and
- (d) the application of these Regulations in relation to a body corporate whose VAT registration is in the names of divisions under section 23 of the Value Added Tax and Other Taxes Act 1973 (regulation 6).