

**THE INSTITUTE OF INDIRECT TAXATION
VAT COMPLIANCE DIPLOMA**

UK SYLLABUS

MODULE A

REGISTRATION

- Types of Registration
- Future Test
- Common Misconception
- Taxable supplies
- Deregistration
- Exemption from registration
- Disaggregation of business activities

DEFINITION OF SUPPLIES

- Five Conditions
- Goods or Services
- Supply must be made by a Taxable Person
- UK Supply
- In course or furtherance of the Business
- Taxable Supply
- Sixth Directive

LIABILITY OF THE SUPPLY

- Taxable Supplies
- Method of determining liability
- Lower Rate (5%)
- Outside the scope of VAT
- Zero Rate
- Exemptions

DEEMED SUPPLIES AND SELF-SUPPLIES

- Deemed Supplies
- Self-Supplies
- How to account for deemed/self-supplies
- Gift of goods
- Private use of business assets
- Non-business use of services supplied to a business
- Motor fuel provided for private use
- Goods held on deregistration
- Construction services
- Motor cars

VALUE OF THE SUPPLY

- Consideration wholly in money

- Consideration not wholly in money
- Special Rules
- Prompt Payment Discount
- Further Points
- Mixed and Composite Supplies
- Mixed/Composite Supply Cases

TIME OF SUPPLY

- Basic Tax point
- Basic Tax point overridden
- Deposits
- Special Rules

MODULE B

INPUT TAX: WHEN TO RECOVER

- A supply of goods or services has been made
- Supply made to the taxable person
- Supply for business purposes
- Claimant holds required evidence
- Input tax was correctly charged
- Direct and immediate link with a taxable transaction
- Blocked input tax

PARTIAL EXEMPTION

- Apportionment
- De Minimis Input VAT
- Annual Adjustment
- Attribution of Input Tax
- Adjustments for change in use of goods and services
- Special Methods
- The standard method override adjustment

VAT RECORDS AND RETURN

- Records
- The VAT Account
- Special Record Keeping Requirements
- VAT Invoices
- Less detailed VAT Invoices
- Electronic Invoices
- Self billing
- VAT Returns
- Credit notes

ACCOUNTING FOR VAT

- Payment and Repayment of VAT
- Payment of VAT

- Monthly payments on account
- Due date for payments on account
- More on POA
- Annual Accounting
- Annual Accounting Conditions
- Cash Accounting
- Receipts and Payments for Cash Accounting
- Leaving the Cash Accounting Scheme

BAD DEBT RELIEF

- The problem
- Conditions
- Records required
- Notification
- Part Payments
- Mutual supplies
- Non-payment of VAT only

CONTROL VISITS, APPEALS AND ASSESSMENTS

- The Control Visit
- Examination of records
- Assessments
- Assessment Time Limits
- Global Assessment
- Appeals
- Appealable matters
- Before an Appeal can be made
- Procedure

PENALTIES

- Misdeclaration
- Late Registration
- Default Surcharge
- Repeated Misdeclaration
- Others, Interest and Mitigation

REFUNDS, REPAYMENT SUPPLEMENT AND INTEREST

- Refunds
- Refund of VAT shown on a VAT Return
- Repayment Supplement
- Refund of overpaid VAT
- Protective claims
- Interest on overpaid VAT
- Compensation by Customs in cases of official error (ex gratia payments)
- Security

MODULE C

INTERNATIONAL ASPECTS: GOODS

- Exports
- Imports
- Importing computer software
- Dispatches
- Acquisitions
- Paperwork
- Triangulation
- Transfer of own goods to another EC country
- Temporary movement of own goods
- Goods sent for treatment, processing, valuation or repair work etc.
- Installed and assembled goods
- Distance Selling
- Registration in respect of acquisitions of goods from other EC countries
- Registration by overseas traders in respect of disposal of assets for which a VAT repayment is claimed
- Refunds under EC 8th Directive
- Refunds under EC 13th Directive

INTERNATIONAL ASPECTS: SERVICES

- Place of belonging
- Basic Rule
- Services relating to land
- Services supplied where physically carried out
- Services falling within VATA 1994, Sch 5 paras 1-8
- Article 17 and 18 “use of employment”
- Transport services
- Hire of means of transport
- Services of intermediaries
- Reverse charge on supplies received from abroad

LAND & BUILDINGS : ZERO AND REDUCED RATING

- Construction of buildings
- Deduction of input tax
- Protected Buildings
- Reduced rate supplies
- DIY Housebuilders scheme

LAND & BUILDINGS : EXEMPTION AND STANDARD RATING

- The Basic Rule
- Licence to occupy
- Supplies between landlords and tenants

LAND & BUILDINGS : ELECTION TO WAIVE EXEMPTION

- Revocable Election?
- Supplies not affected by the option
- Sub-Leases
- Partial exemption and property

CAPITAL GOODS SCHEME

- The operation of the scheme
- Later Years
- CGS Adjustments
- Sale Adjustments
- Lost, stolen, destroyed or expired assets
- Restrictions
- Interaction with a transfer of a business as a going concern
- Interaction with VAT groups
- Interaction with capital allowances

MODULE D

TRANSFER OF A GOING CONCERN

- TOGC conditions
- Deduction of related input tax
- Transferring the VAT registration
- Transfer of Records
- Special rules for Land and Buildings
- Capital Goods Scheme
- Other points on TOGC

GROUPS

- Conditions
- Application for Group Registration
- Impact of a Group Registration
- Advantages of Group Registration
- Disadvantages of Group Registration
- Refusal to allow a Group Registration
- Appeals
- Cancellation of a VAT Group
- Anti-Avoidance legislation
- Holding companies
- Divisional Registration
- Management charges

SECOND HAND GOODS SCHEME

- Operation of Second Hand Goods Scheme
- Exclusions from the Scheme
- Records
- TOGC Acquisitions
- Global Accounting
- Auctioneers

THE FLAT RATE SCHEME

- Eligibility
- Flat Rate Percentage
- Turnover
- Costs
- Records and Accounting
- Ineligibility

RETAIL SCHEMES

- Retail Schemes
- Gross Takings
- Point of Sale Scheme
- Apportionment Scheme 1
- Apportionment Scheme 2
- Direct Calculation Scheme 1
- Direct Calculation Scheme 2
- Other Schemes