

Changes to EC Sales Lists guidance

The EC Sales List guidance has recently been updated. There are numerous amendments and additions as well as reordering of content and the small matter of new draft secondary legislation. The key changes are summarised as follows:

Questions & Answers

Addition Question 8 – Will there be any changes to the VAT 101?

The only addition here confirms that for paper forms issued after 1 Jan 2010 there will be two sets of to and from dates, one for goods and one for services. This is for businesses submitting lists for both goods and services and who are required to submit monthly declarations for goods as they exceed the threshold for quarterly goods declarations. The guidance only makes reference to forms issued after 1 January and makes no comment whether old paper lists can still validly be used, though one would assume they cannot?

New Question 9 – Can I submit my EC Sales List for goods and services covering non-standard accounting periods?

The simple answer to this is no. HMRC suggest any businesses struggling with this issue in the short time frame should speak to HMRC.

Addition Question 19 - If I want to check the validity of my customers VAT registration number how do I do it?

The guidance adds that there is no facility for bulk checking the validity of numbers and this has been raised with the Commission. The extended answer now provides that where a business has taken all reasonable and appropriate steps HMRC will not seek to impose a penalty. The final addition emphasises these numbers should be checked regularly.

Addition Question 20 – In respect of supplies of services how do I determine the liability of the supply in the customers Member State?

HMRC have added that where an error regarding exemption or non exemption has been made businesses must submit a sales list correction as well as amending ongoing treatment. HMRC accepts that during the conclusion of the changes to Financial Services HMRC will not penalise businesses where there is material uncertainty about the liability.

New Question 24 – When is a UK business making an intra community supply of services, subject to a reverse charge in the customers Member State, required to include details of that supply on an EC sales list?

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This new question states “where it is evident that for certain types of supply the date or performance date or date of payment is almost the same as the ‘date of invoice’, the ‘invoice date’ may be used.” This provides some leeway for businesses but only where the invoice date is almost the same as the time of supply. The theoretical requirement for two dates on an invoice (issue date and tax point date) recognises the fact these dates often are not the same.

Part 5 legislation

Draft secondary legislation i.e. the changes to the regulations are contained in Part 5 at the back of the guidance.

Comment

4 Eyes Ltd is able to assist clients with all EC Sales List and Intrastat reporting obligations.

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