

## United Kingdom

### 13<sup>th</sup> Directive (86/560/EEC) VAT refunds

#### **I. RECIPROCALITY AGREEMENTS – Article 2(2)**

1. Does your country have any reciprocity agreements?

No.

2. If yes, what countries are included in the reciprocity agreements?

Not applicable.

3. What is the equivalent third country tax to which the reciprocity agreements relate?

Not applicable.

4. What goods and services are allowed under the reciprocity agreements?

Not applicable.

5. Are there any specific or additional rules applicable in relation to the reciprocity agreements?

Not applicable.

6. If your country has no reciprocity agreements, do you still allow refunds?

Yes. The UK will refund a genuine claim from a taxable person established in any third country.

#### **II. TAX REPRESENTATIVES – Article 2(3)**

7) Does your country require the appointment of a tax representative?

No. The UK will deal with either the claimant established in the third country or an authorised agent. The authorised agent doesn't need to be a UK registered concern.

8) What conditions are imposed when appointing a tax representative?

Not Applicable. However, where the claimant established in the third country appoints an agent they must provide a letter of attorney or authority.

#### **III. REFUND ARRANGEMENTS – Article 3(1)**

9) What are the time limits that are applied for making a claim?

A claim must be submitted no later than 6 months after the end of the prescribed year (i.e. 1 July to 30 June) in which the VAT claimed was charged.

10) What periods are eligible for refund?

A claim for VAT must be made in respect of supplies made during a period of not less than 3 months and not more than 12 months. However, a claim can be made in respect of VAT charged on supplies during a period of less than 3 months where that period represents the final part of the prescribed year.

**11)** Where shall the applications be made?

HM Revenue and Customs, VAT Overseas Repayments, 8<sup>th</sup>/13<sup>th</sup> Directive, Custom House, PO Box 34, LONDONDERRY BT48 7AE, Northern Ireland

**12)** What is the minimum amount of VAT that can be refunded?

When the claim is for a period covering less than twelve months the total amount of VAT claimed must not be less than £130. The claim can cover less than three months if this is all that remains of the prescribed year. In that case, or when the claim is for the full twelve months of the prescribed year, the amount of VAT claimed must not be less than £16.

**13)** How can the applicant receive an application form?

By Website and post.

**14)** What languages may be used for completion of the form?

English

**15)** What information is requested on the application form? Please could you provide a copy of the form or a website link.

[http://customs.hmrc.gov.uk/channelsPortalWebApp/channelsPortalWebApp.portal?\\_nfpb=true&\\_pageLabel=pageLibrary\\_Forms&propertyType=document&id=HMCE\\_PROD\\_007838](http://customs.hmrc.gov.uk/channelsPortalWebApp/channelsPortalWebApp.portal?_nfpb=true&_pageLabel=pageLibrary_Forms&propertyType=document&id=HMCE_PROD_007838)

### [Application form](#)

**16)** Is any information optional? If yes, what information?

No.

**17)** Who is authorised to sign the application form?

The claimant or their authorised agent.

**18)** What evidence is required to support an application?

The UK imposes three basic evidential requirements;

- a) A Certificate of Status issued by the official authority in the third country in which the claimant is established. This certifies that the claimant is a properly registered business in that country,
- b) A written declaration that the claimant has not made supplies in the UK during the period covered by the claim (except supplies made in the UK where the recipient accounts for the VAT, for example Art 9(2)(e) services to businesses), and,
- c) Original invoices or import documentation.

19) What time limits does your country apply to making a refund?

Payment will be made to the claimant within 6 months of receipt of a satisfactorily completed application.

#### **IV. ELIGIBILITY – Article 4(2)**

20) Are there any other conditions applicable?

No

21) Are certain types of expenditure excluded as if so which?

Yes. The UK excludes from recovery, VAT on the following:

- non-business supplies. However, if a supply covers both business and non-business use, VAT can be reclaimed on the business element of the supply;
- any supply used or to be used to make a supply in the United Kingdom, (except supplies made in the UK where the recipient accounts for the VAT, for example Art 9(2)(e) services to businesses);
- the supply or importation of most ordinary business cars. Only 50% of the VAT incurred on the hire or lease of a car for mixed business and private purposes is allowed;
- certain second-hand goods, such as cars and antiques for which no tax invoice will be issued;
- all business entertainment/hospitality expenses;
- export of goods - but these will be zero-rated, provided the supplier has the necessary evidence;
- goods and services, such as hotel accommodation, bought for resale which are for the direct benefit of travelers; or
- any supply used or to be used to make an exempt supply. (For this purpose an exempt supply is a supply described as exempt in Schedule 9 to the VAT Act 1994 (Article 13 6<sup>th</sup> Directive), whether or not the place of supply is in the UK).

#### **V. MAJOR DIFFERENCES BETWEEN REFUNDS UNDER THE 13<sup>TH</sup> AND THE 8<sup>TH</sup> (79/1072/EEC) DIRECTIVE**

22) What are the main procedural differences between applying for a VAT refund based on the 8<sup>th</sup> Directive and a refund based on the 13<sup>th</sup> Directive?

A 8<sup>th</sup> Directive refund application should cover a period of 12 months beginning with the first day of January in any year while a 13<sup>th</sup> Directive application covers a period of 12 months beginning on the first day of July in any year.

**23)** Do certain types of expenditure give rise to a refund under the 8<sup>th</sup> Directive but not under the 13<sup>th</sup> Directive? If yes, please specify the types of expenditure.

Under the 8<sup>th</sup> Directive the UK permits a refund of VAT incurred by a taxable person established in another Member State, in the course of making an exempt financial or insurance supply to a non-EU customer.



Is this your first application? If not, please give Reference No.

|  |  |
|--|--|
|  |  |
|--|--|

Competent authority to which the application is addressed

HM Customs and Excise  
 VAT Overseas Repayments  
 8th/13th Directive  
 Custom House  
 PO Box 34  
 LONDONDERRY BT48 7AE  
 Northern Ireland

**APPLICATION**

by a business person NOT established in the community for REFUND of **VALUE ADDED TAX**

Please read the explanatory notes

|   |   |   |                      |                       |
|---|---|---|----------------------|-----------------------|
| <b>1</b>  | Forenames and surname or name of firm of applicant  |   |                      |                       |
|   | House number and street name  |   |                      |                       |
|   | Place, country and post code  |   |                      |                       |
| <b>2</b>  | Nature of applicant's business  |   |                      |                       |
| <b>3</b>  | Particulars of the Official Authority and tax/business Registration No. in the country in which the applicant is established or has his/her domicile or normal place of residence |   |                      |                       |
| <b>4</b>  | Period to which the application refers  |   | From<br>Month   Year | To<br>Month   Year    |
| <b>5</b>  | Total amount of refund requested (in figures)<br>(see overleaf for itemised list)   | £ |                      |                       |
| <b>6</b>  | The applicant requests the refund of the amount shown in heading 5 in the manner described in heading 7   |   |                      |                       |
| <b>7</b>  | Method of settlement requested (*)    Non UK Bank account <input type="checkbox"/> UK Bank account <input type="checkbox"/> Postal account <input type="checkbox"/>               |   |                      |                       |
|   | Account number  |   |                      |                       |
|   | Currency of Account   |   | Bank Identifier Code |                       |
|   | Account in the name of  |   |                      | <del>XXXXXXXXXX</del> |
|   | Name and address of the financial body  |   |                      |                       |
| <b>8</b>  | No. of documents enclosed ..... Invoices ..... Import documents .....   |   |                      |                       |
| <b>9</b>  | The applicant hereby declares   |   |                      |                       |
|   | (a) that the goods or services specified overleaf were used for the following business activities in the United Kingdom   |   |                      |                       |
|   | .....   |   |                      |                       |
|   | .....   |   |                      |                       |
| (b) that in the United Kingdom during the period covered by this application, he/she engaged in   |   |   |                      |                       |
| <input type="checkbox"/> (*) no supply of goods or services   |   |   |                      |                       |
| <input type="checkbox"/> (*) only the provision of services in respect of which tax is payable solely by the person to whom they are supplied |   |   |                      |                       |
| <input type="checkbox"/> (*) only in the provision of certain exempted transport services ancillary thereto                                   |   |   |                      |                       |
| (c) that the particulars given in this application are true   |   |   |                      |                       |

(\*) Insert x in the appropriate box

(\*) Insert x in the appropriate box

The applicant undertakes to pay back any monies wrongfully obtained

At ..... on .....  
 (Place) (Date) (Signature)

Applicant's telephone number ..... Applicant's fax number .....  
**NOTE:** Box 10 overleaf **MUST** be completed Applicant's e-mail address .....





# Notes on Completion of the Application Form

## A. General

The application must be made on the appropriate form completed in English.

Complete the form in BLOCK LETTERS starting each entry at the beginning of the line or space provided. Do not use punctuation marks (full stops, commas etc.) unless essential.

In those sections which are marked thus

do not insert more than one character (letter, figure, punctuation mark etc.). Recognised abbreviations may be used (e.g. 'Ltd' for Limited).

The application must be submitted no later than six months after the end of the prescribed year in which the tax was charged. The prescribed year is the period commencing on the first day of July and ending on the last day of June in the following calendar year. Applications may also be submitted if the conditions set out in the notes to Boxes 4 and 5 are met.

The Commissioners may require claimants to appoint tax representatives, registered for VAT in the United Kingdom, to act on their behalf.

## B. Reference number

The number to be inserted in the box in the top left hand corner of the claims will be issued by the official authority in the United Kingdom so leave it blank on your first claim.

You will be notified of your reference number for use with second or subsequent claims. Please ensure that you use the correct number or leave the box blank.

## C. Numbered boxes.

Box 1. Your name and address will be shown on all communications sent to you exactly as you write it on the form.

Box 2. State the type of business activity engaged in during the period of the claim.

Box 3. The application must be accompanied by an original certificate of status issued by the official authority of the country in which you are established to provide evidence that you are a business person in that country. However, where the official authority in the United Kingdom already holds such evidence, you are not bound to produce another status certificate for a period of one year from the date of issue of the first certificate.

Box 4. The application should refer to purchase of goods or services invoiced, or imports made, during a period of not less than three months or more than one prescribed year. However, it may relate to a period of less than three months where the period represents the end of a prescribed year. Claims may also include invoices or import documents not covered by previous applications and concerning transactions made during the prescribed year in question.

Box 5. The application may be used for more than one invoice or import document. If the period to which the claim relates is three months or more, but less than one prescribed year, the total amount of VAT claimed must not be less than £130. Otherwise, if the period is one prescribed year, or the remainder of a prescribed year, the amount of VAT claimed must not be less than £16.

Box 6. Do not make any entry in this box.

Box 7. Applicants with a bank account should follow the instructions detailed below.

**Account number** – insert the number of the account to which refund is to be made.

**Bank Identifier Code** – insert Sorting Code number of the bank where the account is held. In the United Kingdom this number is shown in the top right hand corner of the cheque.

**Currency of Account** - insert the currency of the bank account to which refund is to be made.

**Account in the name of** – insert the name of the account holder to whom the refund is to be made.

**Name and address of financial body**—insert the name and address of the bank where the account is held.

Requests for payment to a bank account, **must** be accompanied by a bank lodgement/credit slip, or other account document, as confirmation of the bank account details.

**NB.** All other refunds will be issued to the claimant named in Box 1 in sterling by means of a Payable Order. Payments to a third party should be submitted with a Power of Attorney giving the payee authority to receive money on the claimant's behalf. The United Kingdom reserves the right to make refunds addressed to the applicant.

- Box 8. Please attach ORIGINALS of documents showing amount of VAT incurred. These documents will be returned when the claim has been processed.
- Box 9(a). Describe nature of activities for which goods acquired or services received, e.g. Participated in the International ..... Fair, held ..... in ..... from ..... to ..... Stand No .....  
OR  
International carriage of goods as from ..... to ..... on .....  
If insufficient space is available you must use a continuation sheet, headed with your business registration number, endorsed 'Box 9(a)' and attached firmly to the application form.
- Box 9(b). Exempted transport services are those carried out in connection with the international carriage of goods, including – subject to certain conditions – transport services associated with the transit, export or import of goods.
- Box 9(c). Any refund which is obtained improperly may render the offender liable to the fines or penalties laid down by the law of the United Kingdom.

### Data Protection Act 1998

HM Customs and Excise collects information in order to administer the taxes for which it is responsible (such as VAT, insurance premium tax, excise duties, air passenger duty, landfill tax), and for detecting and preventing crime. Where the law permits we may also get information about you from third parties, or give information to them, for example in order to check its accuracy, prevent or detect crime or protect public funds in other ways. These third parties may include the police, other government departments and agencies.

For general information about the scheme, please contact:  
**HM C&E National Advice Service on 0845 010 9000 or 0208 929 0152**

If you have a query about a claim you have sent to the UK VAT Overseas Repayment Unit, please contact:

**H M Customs and Excise  
VAT Overseas Repayments  
8th/13th Directive  
Custom House  
PO Box 34  
LONDONDERRY  
Northern Ireland BT48 7AE**

**Tel: (+ 44) (0) 2871 376200  
Fax: (+ 44) (0) 2871 372520  
E-mail: enq.oru.ni@hmce.gsi.gov.uk**