

FACTSHEET 11

Exports : Vat Treatment ?

Goods are exported if they are dispatched to a destination outside the EU . To qualify for zero rating they must leave the UK by no later than three months after the time at which they are regarded as supplied for Vat purposes (eg where they are made available to the customer or where the customer has made full payment) . To support the zero rating of the supply the exporter must keep valid official or commercial evidence of the goods having left the UK . Failure to retain such documentation could result in Customs assessing the supplier for Vat . Note that goods cannot be regarded as exported if they are delivered to a UK address or are collected by a UK person .

Dispatches To Other EU Member States

Such dispatches to another member state of the EU can be zero rated if they are acquired by a person registered for Vat in another member state . The person buying the goods will account for Vat in the same way as if the goods were bought by a UK trader . It is only permissible to zero rate the dispatch when the supplier has obtained the customer's Vat registration number and this must be shown on the UK supplier's sales invoice . Furthermore the supplier must retain commercial documentation to demonstrate that the goods in question have left the UK .

For further advice and before taking any action please give me a call .

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