

## FACTSHEET 24

### Vat : A Quick Checklist !

- Never claim the Vat paid on the purchase of a car . Except in rare circumstances it cannot be recovered
- Never claim the input Vat on entertaining bills
- Never claim the input Vat on goods or services bought for private purposes . If there is an element of business use ( eg home telephone used for business ) then an allocation should be made and only the input Vat pertaining to the business proportion of the bill should be reclaimed
- Never charge Vat on the transfer of a business as a going concern ( business sale agreements should include appropriate clauses to reflect this )
- If you are currently not yet registered for Vat please keep a monthly record of your sales . By monitoring this you will be in a position to notify Vat registration on time as you approach the registration threshold . This will avoid late registration with attendant penalties
- Don't forget to notify Customs of any business changes , eg new business address , change of partners in partnership business , incorporation of previous business in to limited company , etc
- Retain records for at least six years
- Remember to charge Vat on any sales or part exchanges of equipment or vans ( not cars ) .

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

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