

## FACTSHEET 28

### **Vat : When Am I Required To Register ?**

As a trader you may be required to register as a consequence of either :

The value of your taxable supplies made in the past ; or  
The value of taxable supplies that you expect to make in the future .

#### Past Turnover Registration

If you make taxable supplies you are required to register with Customs for Vat where the value of those supplies made in any period of twelve calendar months has exceeded £61,000 ( with effect from 1 April 2006 ) . Customs must be notified within thirty days of the end of the month in which you became liable to be registered . Registration will be effective from the end of the month after the month in which the liability to register occurs .

#### Future Turnover Registration

You are required to notify Customs of registration if , at any time , there are reasonable grounds to believe that the value of your taxable supplies will exceed £61,000 in the next thirty days . Notification of this fact must be given to Customs no later than the end of the thirty day period in which it is anticipated that the £61,000 value of taxable supplies will be exceeded . Registration will take effect on the beginning of the thirty day period in which it is anticipated that the limit for taxable supplies will be exceeded .

#### Voluntary Registration

A person who trades at a level where taxable supplies are below the Vat registration limit can still decide to register for Vat . This can be beneficial to a trader who supplies customers who are themselves Vat registered by enabling the trader to recover input Vat suffered on his business costs . Where a trader intends to , but has not yet commenced trading any request to Customs for a voluntary registration will require to be backed up with proof of the intention to commence trading . Such proof could be :

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Copies of contracts with customers

Copies of lease agreements for business premises

Invoices for the purchase of business equipment , etc

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

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