

## What's new in VAT?

November 2010

Subject	Brief detail	Who is effected?	Action
Payments to HMRC	Several recent case have highlighted the revised timing requirements on payments i.e. return payments have to cleared by the due date, not merely initiated or cheques posted in time to reach HMRC	All VAT registered businesses	Ensure that all payments are made at such a time to ensure that HMRC have the funds in their account by the due date.
Partial exemption attribution	Cirencester Rugby Club has been successful in its argument that the input tax incurred on the construction of a new pitch could not be attributed solely to exempt membership fees and so was residual tax	All partially exempt businesses	Ensure that attribution is thought through very carefully
Smoothies	The Tribunal has confirmed that Innocent Smoothies are drinks and so standard rated	Suppliers of smoothies and similar products	Consider liability issues in order to account for the correct tax, consider marketing in a different manner to achieve zero rating
Intrastat	The 2011 limits will be the same as those for 2010 i.e. dispatches - £250k, arrivals - £600k, delivery terms completion £16m	Businesses trading in goods cross border within the EU	Check values against new limits to assess whether forms are to be completed in 2011.