



VAT refunds on overseas entertainment

Following a recent EU case it is now likely that VAT incurred on entertainment of overseas customers undertaken in the UK should be recoverable and should always have been so.

The Law in the UK was changed on 1st August 1988 and it now appears that this change was illegal under EU Law. Taxpayers are entitled to claim from 1988 to 1st May 1997, when the three year cap was introduced, plus any input VAT not claimed in the last three years.

According to www.telegraph.co.uk¹ those businesses in line to receive the reimbursement amongst others include exporters in areas of defence and drugs manufacturing.

Claims for the period from 1st August 1988 to 1st May 1997 must be submitted prior to 31st March 2009 to be valid. If you do not still have records for earlier years then a reasonable estimate based on more recent years will suffice.

If you would like any assistance in preparing a claim please contact our VAT specialists Robert Twyde or Nikunj Shah on 08452 770660 or email info@hhllp.co.uk

SOURCES:

¹<http://www.telegraph.co.uk/finance/4700345/Tax-man-to-pick-up-tab-for-corporate-jollies.html>

²<http://www.accountancyage.com/accountancyage/news/2236874/entertainment-vat-worth>

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