

Isle of Man Customs & Excise

VAT Notes No. 3 of 2015/16

Items of general interest to Isle of Man Traders

Included in this Issue:-

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Trade-Based Money Laundering (TBML)

TBML may be seen as the process of disguising the proceeds of crime and/or moving its value using the cover of real or concocted trade transactions, so as to legitimise the illicit origins of the proceeds. A new Notice 1000 MAN has been published and is available on our website. It is intended to provide a general overview of the risks and challenges associated with TBML and what might be done to prevent and combat it.

United Nations and European Union Sanctions: Ransom Payments

Under the Isle of Man's anti-terrorism and sanctions legislation it is illegal to make payments to terrorists and terrorist organisations or for the purposes of terrorism, either directly or indirectly. A news release clarifying this position is available on our website

VAT number validation

You can verify the validity of a VAT number issued by any Member State, including Isle of Man (IOM) and United Kingdom (UK) VAT numbers, on the *europa website* using the weblink below. Simply select the Member State from the drop-down menu provided (GB applies to IOM and UK VAT numbers), and enter the number to be validated (no spaces). Click *Verify* and a confirmation window will then open providing name and address details in respect of valid VAT numbers and further guidance in respect of invalid numbers. Go to weblink

UN and EU Sanctions

Financial institutions and other persons are reminded that financial and other measures may be taken against specified persons, entities and bodies under United Nations or European Union sanctions. Further information about any prohibitions and restrictions involved may be found on the website.

Bank details supplied to us for the repayment of VAT

If you have supplied us with your bank account details for the repayment of VAT directly to your bank account, please remember to advise us of any future changes to these details which may affect repayments to you, in order to avoid unnecessary delay. A *BACS Application Form – BACS 1 MAN* is available on our website for completion.

Payment of VAT by electronic means

Traders who pay their VAT liability electronically (e.g. BACS, CHAPS, Faster Payments or Bank Giro Credit Transfer) are reminded that they have an extra 7 calendar days to submit their return and payment.

However, please ensure that your payment instruction is made in sufficient time to credit our bank account on or before the 7th calendar day, allowing for weekends and bank holidays.

For example, if the 7th calendar day falls on a Sunday, you should ensure that your instruction has been placed with your bank in sufficient time to credit our account on the previous bank working day, i.e. the preceding Friday (unless this is a bank holiday). If the 7th calendar day falls on a bank holiday, you should also ensure that your instruction has been placed with your bank in sufficient time to credit our account on the previous bank working day.

Banks and building societies can operate different arrangements for setting up payments, so before making a payment to us you must check the following with your own bank or building society:

- Are there any single or daily limits to how much you can transfer from your account?
- Is there a bank cut-off time for processing payments on the same day?
- How long will it take for your bank to send your payments to us?

Checking these details will help to ensure that you do not incur any unnecessary late payment surcharges. Please remember to use your VAT registration number as the payment reference. For further advice and guidance please contact our Debt Management Unit on 648160. A Notice entitled 'Electronic Payments' is also available on our website

Faster Payments by online or telephone banking

Traders who pay their VAT liability electronically using Faster Payments are advised that specific advice and guidance notes are available on our website.

Because we operate to statement entries rather than available funds, of particular note is the cut off time for making a payment on the same day, which is not when the funds leave your account and become available to the recipient.

Financial difficulties

Isle of Man Customs and Excise takes a sympathetic and flexible approach to businesses facing temporary financial difficulties. If you are worried about being able to meet your tax liabilities, please get in touch with us to discuss payment options to help you deal with temporary cash flow difficulties.

Our officers will review your circumstances with you and can discuss temporary options tailored to your business needs.

Please get in touch with us as soon as you believe you may have difficulty in making a payment; our telephone number for this service is 648152.

Additional late payment surcharges will not be charged once an agreement has been reached with you provided the agreement is accepted before the debt becomes due, although interest will continue to be payable on those taxes where it applies.

Online services

To keep pace with changing requirements Government has improved the styling of their online services to cater for all devices. Customs and Excise Online Services are now displayed in a modern format, the new minimalistic views only show menus when selected. To view any menu, just select the arrow for the options to appear. The services themselves still work exactly as they did before, and are available free to use, for your convenience. The services include:

- Submit your VAT Return (with extended period of 7 days)
- Submit EC Sales Lists
- Make Debit and Credit Card Payments
- Receive E-mail notifications when VAT Returns are available for completion
- Change your own postal address in real time
- Print your own VAT Registration Certificate (VAT 4)
- View your submission history of VAT Returns and EC Sales Lists
- Set up assistants with appropriate permissions

To use online services you should register with IOM Government Portal <https://www.gov.im/onlineservices/> to create your own ID and Password. Then once registered, select Customs and Excise to enrol for the service.

It is our normal practice to issue activation codes to enrol to use the online service, to all newly VAT registered businesses.

However, if these have been lost, or have expired, a new activation code can be obtained by contacting Customs and Excise on 01624 648103 or 648104, or email to customsonline@gov.im for this and any other online queries. For further details of how to enrol, visit the online services page on our website

Making your payment directly to our bank account

If you are using the C&E online facility, there is a credit transfer option which enables you to indicate to us that you intend to instruct your bank to transfer money from your account. Our account details are provided at the end of this option and are also printed on the reverse of your paper VAT return. You still need to instruct your bank to make the transfer and they will be able to advise you on the best electronic means available to you. Please remember to use your VAT registration number as the payment reference.

Please be aware that many Government departments/divisions have their own separate bank accounts and if you pay

money due to Customs & Excise to another division's bank account, e.g. Income Tax, there may be a delay in applying the payment or it might be returned by the recipient. Please take extra care to ensure that you make payment to the correct bank account.

Contacting Isle of Man Customs & Excise

Unit	Phone	Email
VAT Advice	648130	customsadv@gov.im
VAT Registration	648120	
VAT Deregistration	648150	
Excise & Customs Advice	648140	
Debt Management	648160	
Assurance Visiting Teams	648170	Assurance.Customs@gov.im
Support Services	648180	SupportServices.Customs@gov.im
Customer Relationship Unit	648190	cru.customs@gov.im
General Enquiries	648100	customs@gov.im
Online Services	648103	customsonline@gov.im
Anti Smuggling	648110	
Customs Hotline	0800 59 5000	

Fax 661725
Web page www.gov.im/customs
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