

Any payments received after the 7th calendar day are late payments and may be subject to default surcharge.

For further advice and guidance please contact our Debt Management Unit on 648160. A Notice entitled 'Electronic Payments' is also available on our website at <http://www.gov.im/treasury/customs/notices/>

Online services

You can submit your VAT Return, EC Sales List and make a payment online. You can also view your previously submitted VAT Return details.

For further details of how to enrol, visit the following web page <http://www.gov.im/treasury/customs/online.xml>. To obtain an activation code or to discuss any online services, call 01624 648103 or 648104.

Online services and paper returns

Anyone who enrolls to use our online returns services will no longer, by default, receive paper returns. Almost half of people who now send their returns in online have already chosen not to receive paper returns. If you submit your returns online and no longer wish to receive a paper VAT return or European Community Sales Lists then you can turn this option off or on using the Administrator option on your online account.

Online EC Sales List service

A new online EC Sales List service was launched by IOM Customs and Excise on 30 June 2010. This service is automatically available to anyone enrolling, or who has already enrolled for the VAT service. The due date for submitting the EC Sales List is 21 days from the end of the period if submitting electronically, but only 14 days if submitting a paper form.

Online VAT Services - VAT Notes Online

Both IOM and HMRC VAT Notes can be viewed online, this includes historic ones.

The addresses are:

For IOM VAT Notes: http://www.gov.im/treasury/customs/notices/vat_notes.xml

For HMRC VAT Notes: <http://www.hmrc.gov.uk/vat/forms-rates/guidance-news.htm>

Excise Movement Control System

On 1 April 2010 a new computer system came into use for movements of excise goods around Europe, replacing the paper Administrative Accompanying Document (AAD) system.

The Excise Movement Control System (EMCS) will be used to control the movement of goods liable to excise duty (such as alcoholic beverages, tobacco products and mineral oils) between Member States of the European Union and between premises which hold such goods under duty suspension. Businesses involved in the movement of excise goods are required to register with Customs and Excise. Further details may be obtained from the Advice Centre on 648140 or by visiting the website <http://www.gov.im/treasury/customs/ViewNews.gov?menuid=&page=lib/news/treasury/customs/excisemovementco.xml>

Cessation of prepaid envelopes

From 1 March 2011 we no longer provide prepaid envelopes for the submission of VAT returns and EC Sales Lists (ESLs). As an alternative to paper VAT returns and ESLs you may wish to consider our popular online service, further details of which can be found on our website at <http://www.gov.im/treasury/customs/online.xml>

VAT Enquiries

When contacting us by telephone you will be asked to supply your VAT registration no. so please remember to have it ready prior to contacting us and quote it in all your written correspondence by letter and e-mail. This helps us to provide the best possible service when dealing with your enquiry.

Isle of Man Customs & Excise Contact Details

General Enquiries	648100
Anti Smuggling Line	648110
VAT Registration	648120
VAT Advice Centre	648130
Excise/Customs Advice Centre	648140
VAT Deregistration	648150
Debt Management	648160
VAT Visiting Teams	648170
Fax Line only	661725

Please dial direct

Isle of Man Customs & Excise postal address is:
PO Box 6, Custom House
North Quay, Douglas
Isle of Man, IM99 1AG

Isle of Man Customs & Excise e-mail address is: customs@gov.im. Isle of Man Customs & Excise web page address is: www.gov.im/treasury/customs



Isle of Man Customs & Excise

VAT Notes

Items of general interest to
Isle of Man Traders
No 1 of 2011/2012
included:-

- POSTAL STRIKE THREAT
- Budget at a glance
- Financial & trade sanctions
- Proposed Gambling Duties Bill
- Motor Trade Dealers - Vehicle registrations and cherished number plates
- VAT - Flat Rate Scheme for Small Traders
- Changes to the time limits for assessments of VAT and duties and claims for refunds
- Payment of VAT by electronic means
- Online services
- Online services and paper returns
- Online EC Sales List service
- Online VAT services - VAT Notes Online
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- Cessation of prepaid envelopes
- VAT enquiries

A Division of the Isle of Man Treasury

POSTAL STRIKE THREAT

Please note that throughout any period(s) of disruption to postal services traders will still be required to submit VAT returns, European Sales Lists (ESLs) and payments on time.

It is the statutory duty of traders to make returns and payments in due time. They are not relieved of that duty, should postal deliveries be delayed, when advance warning of the intention to take industrial action is given by IOM Post.

To avoid delays, VAT returns and ESLs can be submitted using the C&E online facility available at <http://www.gov.im/onlineservices>. Details of how to enrol for this popular service can be found at <http://www.gov.im/treasury/customs/online.xml>

As soon as you have registered for online services, payments may also be made using the C&E online facility by debit or credit card (credit card transactions carry a 2% fee). There is also an option to request your bank to transfer money from your account. Our account details are provided at the end of the transaction and are also printed on the reverse of your paper VAT return. Read also **Payment of VAT by electronic means** in these VAT Notes.

PLEASE DON'T PUT YOURSELF AT RISK OF INCURRING A FINANCIAL PENALTY FOR FAILING TO RENDER YOUR RETURN/PAYMENT ON TIME ... GO online!

Budget at a glance

VAT: Increased registration & deregistration thresholds

With effect from 1 April 2011 the annual taxable turnover threshold (on a rolling 12-month basis), which determines whether a person must be registered for VAT, will be increased from £70,000 to £73,000. The taxable turnover threshold which determines whether a person may apply for deregistration will be increased from £68,000 to £71,000.

VAT: Fuel scale charges

Changes to the VAT fuel scale charge rates based on emissions take effect from 1 May 2011. Anyone completing a VAT return for a period commencing on or after 1 May 2011 should apply these new rates where applicable. The revised rates are available on our website at <http://www.gov.im/treasury/customs/faqs/>. The VAT fuel scale charge is a simplified means of taxing the private use of business fuel.

Excise: Alcohol duty rates

Legislation was introduced to increase the duty rates for all

alcoholic drinks by 2 per cent above the rate of inflation (based on RPI) on 28 March 2011 as announced in the March 2010 Budget. This will add 4 pence to the price of a pint of beer, 15 pence to the price of a bottle of wine, and 54 pence to the price of a bottle of spirits.

Excise: Tobacco duty rates

Legislation was introduced to increase tobacco duty rates by two per cent above the rate of inflation (based on RPI) as announced in the March 2010 Budget. Budget 2011 announced that duty on hand rolling tobacco will increase by an additional 10 per cent. These changes came into effect from 6 pm on 23 March 2011.

The duty on cigarettes has been restructured to decrease the proportion of the duty based on the product price and increase the proportion of the duty based on quantity. Although the tax paid on cheaper cigarettes will still be lower the difference between cheaper cigarettes and premium cigarettes will be smaller.

Excise: Hydrocarbon oil duty rates

The main duty rates for road fuels have been reduced by 1 penny per litre from 6 pm on 23 March 2011. The duty rates on other oils and gases used as road fuel reduced by lesser amounts.

Financial & trade sanctions

Please note that financial and trade sanctions, including export controls, are now in place against Libya.

Other new financial sanctions regimes have been introduced in respect of members of the former regimes in Tunisia and Egypt.

There are also requirements to report transfers to or from Iranians, Iranian entities or persons in Iran if exceeding €10,000; and to seek prior approval for transfers of €40,000 or more.

For more details of these and other sanctions measures please see the website at <http://www.gov.im/treasury/customs/sanctions.xml>

Proposed Gambling Duties Bill

The Treasury is consulting on a proposed Gambling Duties Bill that would see a single excise duty to replace general betting duty, online gambling duty and pool betting duty. The consultation document is available at <http://www.gov.im/>

treasury/customs/ConsultationDetail.gov?id=224 Responses should be received before 13 June 2011.

Motor Trade Dealers - Vehicle registrations and cherished number plates

Please note that a receipt issued by the Post Office in respect of cherished numbers purchased is not acceptable for VAT input tax recovery. If a cherished number is purchased for a business purpose, you must obtain a tax invoice from the Department of Infrastructure whose contact details may be found at <http://www.gov.im/transport/highways/contacts.gov?dept=>

VAT - Flat rate scheme for small traders

As a result of the increase in the standard VAT rate from 4 January 2011, the thresholds and percentages which apply to traders using the VAT - Flat Rate Scheme also changed. Further details can again be found on the HMRC website or are available from the IOM Customs and Excise Advice Centre on 648130. All traders using the scheme should ensure that they apply the amended percentage applicable to their business sector from the 4 January 2011.

Changes to the time limits for assessments of VAT and duties and claims for refunds

From 1 April 2010 new time limits for assessments of both under paid and over paid VAT, customs duties and excise duties made by Customs and Excise came into operation.

Treasury will normally be able to assess back four years from the end of the relevant tax period, although the limit for deliberate errors will be twenty years. Claims for refund of over paid duty and VAT are also being increased to four years.

Payment of VAT by electronic means

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

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 by the 5th 'working' day. Also please remember to quote your VAT number as a reference for the payment, so that it can be correctly allocated to your VAT account.