



Value Added Tax

Transfer of a business as a going concern

Request for Transfer of a Registration Number

When you have filled in this form and signed it please send it to:

Isle of Man Customs & Excise
Custom House
North Quay
Douglas
Isle of Man
IM99 1AG

Important:

You must complete this form if you want to keep the registration number of the previous owner.

You must also complete form VAT1 MAN.

Once the transfer of the number has been allowed, it cannot be revoked.

The following notes will help you to fill in this form. Remember both parts of the form must be completed - the first part by the new owner and the second part by the previous owner.

Who can ask for a number to be transferred?

If you are taking over a business as a going concern, or changing the status of your business (for example, from sole proprietor to a limited company, or partnership) you can, if you wish, apply for the previous owner's VAT registration number to be transferred to you.

When can I ask for a registration number to be transferred?

You can ask for a number to be transferred if:

- you are not already registered for VAT; but
- you become either liable or entitled to registration from the date the business is transferred to you; and the previous owner's registration will be cancelled from that date. (if the previous owner is still liable to be registered he cannot pass his number on to you); and
- the previous owner agrees to the transfer of the number.

Transfer of the number will not normally be allowed if the previous owner:

- has a Surcharge Assessment which remains unpaid or is the subject of an appeal;
- was a member of a group registration;
- was registered but had made no taxable supplies.

How do I apply and when?

Both you and the previous owner must agree to the transfer of the number. You must both fill in and sign this form as soon as the business is transferred and before the previous owner asks for his registration to be cancelled. We will treat this form as the previous owner's request for cancellation of his registration.

Who has to sign the form?

You must fill in and sign Part 1 and the previous owner must fill in and sign Part 2 of this form.

If you are simply changing the status of your business, (for example, from a sole proprietor to a limited company) you may have to sign both parts of the form if you are, or represent, both the new and previous owner.

If a partnership is involved, all the partners must sign the form.

If the previous owner was a sole proprietor and has died, or a partnership and one of the partners has died, the executor must sign the form.

What to do when you have filled in the form.

You must send this request to the address shown on the front of this form. If you have not already done so, you must also send a fresh form VAT 1MAN (and form VAT 2MAN if you are a partnership) to cover this change of ownership. We will write to tell you whether your application has been allowed.

If you have any difficulty completing this form, or require further advice, please contact the office shown on the front of this form.

IMPORTANT: The conditions that you and the previous owner must agree to are set out on the application form and are legally binding. This means that not only will you be liable for any outstanding VAT from the previous owners registration but the previous owner will no longer be entitled to any repayments of VAT or unclaimed input tax, whether these amounts refer to periods before or after the transfer.

Both parts of this Application Form must be filled in

Part 1 To be completed by the new owner

If you are the new legal entity or owner of the business, please read this form carefully and answer all the questions in Part 1

Please give your full name, or your trading name if you have one;				
<input style="width: 100%; height: 20px;" type="text"/>				
Please give your legal status, eg sole proprietor, partnership, limited company				
<input style="width: 100%; height: 20px;" type="text"/>				
I took over the business as a going concern on				
<input style="width: 100%; height: 20px;" type="text"/>				
Please give the name of the previous owner				
<input style="width: 100%; height: 20px;" type="text"/>				
I apply to use the previous owner's VAT registration number from the above date. The number is;				
<table border="1" style="width: 100%; border-collapse: collapse;"><tr><td style="width: 25%; height: 20px;"> </td><td style="width: 25%; height: 20px;"> </td><td style="width: 25%; height: 20px;"> </td><td style="width: 25%; height: 20px;"> </td></tr></table>				
If this application is allowed, I agree to the following conditions:				
<ul style="list-style-type: none">• I will send in my first VAT return to Customs and Excise, with all the VAT due for the whole of the period shown on the form;• I will send in any outstanding returns which are due from the previous owner;• I will pay Customs and Excise any VAT due on supplies made by the previous owner before the business was transferred including any VAT on stocks and assets kept by the previous owner;• I agree that any VAT return made by the previous owner for a period after the transfer date will be treated as made by me; and• I will have no right to claim any money paid by Customs and Excise to the previous owner, before the VAT registration number was transferred.				
Signature(s)				
<input style="width: 100%; height: 20px;" type="text"/> <input style="width: 100%; height: 20px;" type="text"/> <input style="width: 100%; height: 20px;" type="text"/>				
(Proprietor, partners, director, company secretary, executor)				
Date <input style="width: 100%; height: 20px;" type="text"/>				

Part 2 To be completed by the previous owner

If you are the former legal entity or the previous owner of the business, please read this form carefully and answer all the questions in Part 2.

Please give your full name, or your trading name if you have one;				
<input style="width: 100%; height: 20px;" type="text"/>				
Please give your legal status, eg sole proprietor, partnership, limited company				
<input style="width: 100%; height: 20px;" type="text"/>				
I transferred my business / changed my legal status on				
<input style="width: 100%; height: 20px;" type="text"/>				
Please give the name of the new owner				
<input style="width: 100%; height: 20px;" type="text"/>				
I wish to cancel my VAT registration number from the above date because I am no longer liable or eligible to be registered. I agree to transfer my number to the new owner. The number is;				
<table border="1" style="width: 100%; border-collapse: collapse;"><tr><td style="width: 25%; height: 20px;"> </td><td style="width: 25%; height: 20px;"> </td><td style="width: 25%; height: 20px;"> </td><td style="width: 25%; height: 20px;"> </td></tr></table>				
If this application is allowed, I agree to the following conditions:				
<ul style="list-style-type: none">• I will have no right to claim any money paid by Customs and Excise to the new owner;• I agree that the new owner will be entitled to reclaim any input tax which Customs and Excise would normally have paid to me if the number had not been transferred; and				
I have retained stocks and assets valued at				
<input style="width: 100%; height: 20px;" type="text"/>				
<ul style="list-style-type: none">• Please give an address where we can contact you after the business has been taken over by the new owner.				
<input style="width: 100%; height: 60px;" type="text"/>				
Signature(s)				
<input style="width: 100%; height: 20px;" type="text"/> <input style="width: 100%; height: 20px;" type="text"/> <input style="width: 100%; height: 20px;" type="text"/>				
(Proprietor, partners, director, company secretary, executor)				
Date <input style="width: 100%; height: 20px;" type="text"/>				

Checklist

- Have you and the previous owner signed the form?
- Have you already filled in and returned a form VAT 1MAN to cover this change of ownership? If not, send it in with this form. Your application for the number to be transferred to you cannot be processed without an accompanying VAT 1MAN.
- Have all the partners signed the form?
- Have you completed a VAT 2MAN if you are a partnership.
- Have you included a copy of the certificate of incorporation if you are a limited company.

Remember:

- That your registration will cover all your business activities.
- You are now liable for any VAT due on supplies made by the previous owner, even if they come to light after the transfer.
- The previous owner no longer has any right to repayments of tax, even if they refer to the period prior to the transfer.

Please return the completed form to the address shown on the front of this form.