

Isle of Man Treasury Customs & Excise Division

VAT return and payment changes 1st April 2021.

With effect from 1st April 2021 all VAT returns must be submitted using the Isle of Man Government's Online Services portal, and VAT payments must be made by electronic methods (e.g. bank transfer or card payment using Online Services).

Frequently Asked Questions

Why are you making this change now?

The Treasury is currently in the process of upgrading its VAT accounting system with a modern system capable of managing all indirect taxation and licensing regimes. The new system will provide greater online functionality (self-serve options) for Customs & Excise customers than is currently available and it is intended that, within the next 3 years, the primary communication channel between Customs & Excise and its customers will be via Online Services.

When will I have to start rendering electronic returns?

The first VAT period this change applies to is for the period ending 30th April 2021 (2021/04). The online submission of the 2021/04 return is required by 31st May 2021. In exceptional circumstances i.e. if a customer has not been able to enrol for Online Services we will, as an interim measure, issue a paper return.

Will the Isle of Man Treasury provide any help to customers to enrol for Online Services?

Yes. The Isle of Man Treasury anticipates that some customers will need assistance initially to enrol for Online Services to submit their first return and payment electronically.

There are a number of guidance notices available which will help customers through these processes and the Treasury will also provide one-to-one sessions with customers who request additional help.

If you require additional assistance please call the Customs & Excise Division on 686677 to make an appointment. Please be aware these sessions need to be booked in advance to ensure that staff are available to help you.

We will try to meet your needs, for instance, if you cannot attend our offices in Douglas and/or if it's not possible for you to meet with us during normal business hours we will arrange to meet you at an alternative location/time.

What if I have forgotten my login or passwords for Online Services?

The Isle of Man Government's online services website <https://services.gov.im/onlineservices/ForgottenLogin.xml> has links for to reset all your login details. Telephone support to login into your Online Services account can be obtained by calling 01624 686801.

Can I still submit paper returns?

Only if you meet one of the exemption conditions. All requests for an exemption will be considered, and the notice 'Exemption from using VAT Online Services' explains how to apply for this exemption.

What will happen if I don't enrol for the Online Services?

The Treasury is committed to supporting customers through this change. If customers can render and pay returns electronically they must do so, but if customers are unable to comply they should apply for an exemption.

I don't have a computer - will I be eligible for an exemption from submitting my returns online?

IOM Government Online services can be accessed using most internet enabled devices such as smart phones and tablets. As long as customers have these types of internet enabled devices and access to the internet a computer is not essential to render VAT returns. If customers do not have access to the internet or they do not have any form of internet enabled device they should apply for exemption from rendering electronic returns.

I do regularly use the internet but I would prefer to keep rendering paper returns, is that possible?

If customers have the facility to render returns and make payments electronically then they must do so. If customers are unable to render returns and make payments electronically they should apply for an exemption, please see the guidance 'Exemption from using VAT Online Services'.

I feel able to render my returns online but don't know how to make payments electronically?

Examples of electronic payments are Faster Payments, CHAPS, Bacs and card payments made using the IOM Government Online Services portal. Should you experience any difficulties making electronic payments you should contact Customs & Excise on 686677 for assistance. Information and support is also available from your bank.

Will you send reminders when a VAT return is due?

You will receive an email notifying you when your electronic return is available for completion. When you log onto the online system a list of outstanding returns will be displayed.

I currently render my returns electronically but still get a paper return as a reminder, will that continue after the 1st April 2021?

No, unless you have applied and been granted an exemption from rendering returns electronically, paper returns will cease to be issued after 1st April 2021.

If my internet access stops working on the due date, will I be able to submit a paper return instead?

No, but you will need to notify Customs & Excise of the problem ASAP by telephone on 686677. This is so we can ensure you are not penalised for the subsequent late submission of the return. You will need to make sure that you submit the return online when your internet access is restored.

If I receive an exemption allowing me to continue to render paper returns will I be entitled to the 7-day payment extension that online service users benefit from?

No, all paper returns should be rendered and payment made by the due date.

Can I still pay by cash?

The Customs & Excise Division has withdrawn the cashier service and no longer has the facility to take cash at its counter

Can I pay over the phone by card?

Customers are asked to make payments by card using the IOM Government Online Services portal. Any customers having difficulties making electronic payments should contact the Customs & Excise Division on 686677 for assistance. Information and support is also available from your bank.

Can I pay by Direct Debit?

Paying by Direct Debit is not currently possible but it is planned as part of the future enhancements of the VAT accounting system.

Can I still pay by cheque?

Only customers who have applied for and been granted an exemption to render paper returns will be able to continue paying by cheque - the cheques should be sent to Customs & Excise together with the paper VAT returns.

All other customers should make payments by electronic methods such as Faster Payments, CHAPS, Bacs and card payments made using the IOM Government Online Services portal. It is recognised that this will be a change for some customers and Customs & Excise officers will be available to provide support during this transition period. Information and support is also available from your bank.

I have an exemption from submitting my VAT returns online can I still pay by cheque?

Yes, but customers are still encouraged to pay electronically if possible.

My accountant submits my VAT return online on my behalf but I make the payment; can I still pay by cheque?

No, payments should be made by electronic means such as Faster Payments, CHAPS, Bacs and card payments made using the IOM Government Online Services portal. Should you experience any difficulties making electronic payments you should contact the Customs & Excise Division on 686677 for assistance. Information and support is also available from your bank.