

Annex A Notice 749 redraft

Policy changes following Ian Harris and David Ogilvie's comments

Section	Current	Changes
4.3	Customer Relationships Manager	Customer Compliance Manager
5.1	<p>5.1 Can public bodies recover VAT on costs related to taxable business activities? Yes, but you must be registered for VAT (see section 3) and follow the normal rules for input tax deduction-you can find full details in Notice 700 The VAT Guide</p> <p>Remember that some costs such as business entertainment and cars (other than those purchased entirely for business use) cannot be recovered</p>	<p>5.1 Can public bodies recover VAT on costs related to taxable business activities? Yes, but you must be registered for VAT (see section 3) and follow the normal rules for input tax deduction-you can find full details in Notice 700 The VAT Guide. [Please see paragraph 6.6 on private use.]</p>
6.6	No previous paragraph	<p>6.6 Items that may be blocked from VAT recovery Some items have a restriction on VAT recovery. For example a car which has an element of private use will have a blocking order preventing recovery of the VAT. However if the car is used solely for work purposes then the VAT may be recoverable. For greater detail on the meaning of these terms and other restrictions please see Notice 700 or VATGPB4720</p>
8.6	What if the VAT I have identified still exceeds the 'insignificant' limit less than 5 % of the total VAT recoverable during the financial year?	What if the VAT I have identified still exceeds the 'insignificant' limit or If the VAT incurred still exceeds the 'insignificant' limit (under new CDIO rules)
9.1	Section 9	Section 8
9.4	You must carry out an appropriate adjustment	You may carry out an appropriate adjustment
12.2	Step 3	Step 3 "and" added after brackets
12.3	suppliers	Supplier's