

# VAT REGISTRATIONS PRESENTATION TO INDIRECT TALC SUB-COMMITTEE

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# VAT Applicant Screening

Revenue has obligations and responsibilities under the EU VAT Directives to protect the interests of all Member States by ensuring only ‘accountable persons’ are provided with a VAT Registration

## Accountable Person

Section 5 VATCA 2010:

- ▶ 5.—(1)(a) .... a taxable person who engages in the supply, within the State, of taxable goods or services shall be—
  - ▶ (i) an accountable person, and
  - ▶ (ii) accountable for and liable to pay the tax charged in respect of such supply.

Section 9 VATCA 2010:

- ▶ 9.—(1) Where a person engages in the intra-Community acquisition of goods in the State in the course or furtherance of business, he or she shall be—

**Applicant must be involved in a VAT-able business activity**

# What we do



**INTERNAL REVENUE  
RECORDS CHECKS**



**CRO CHECKS**



**CONSIDER REFERRAL  
TO COMPLIANCE  
BRANCH FOR PRE-  
REG VISIT**

# Disallowed VAT Applications

Not Accountable

No Taxable Activity

Exempt Activity

Liquidator/Receiver/Mortgagee not linked to  
Assets

No Response

# 'Intention to Trade' Applications

- ▶ *Rompelman v Minister van Financiën (Case 268/83) (1985)*, the Court of Justice of the EU ruled that preparatory activities constitute the carrying on of an economic activity with consequent right of input tax credit.
- ▶ Court stated that the tax authorities are entitled to 'objective evidence of the intention'
- ▶ Guidance
  - ▶ **Revenue Website:** *substantive evidence of intention to trade with other EU Member States must be forwarded along with the application form... For example: invoices, contracts, leases, detailed business plans or any other such supporting documentation*
  - ▶ **TDM 38-01-03b:** *A business which has not yet commenced to supply taxable goods or services may register for VAT subject to the provision of satisfactory evidence that the applicant will become an accountable person. Such evidence of 'intention to trade' may include: Leases, Contracts, Tools of the Trade*

# 'Intention to Trade' Applications

## To be regarded as an accountable Person

- ▶ Imminent commencement of trade
- ▶ Substantive, objective evidence of trade
- ▶ Must demonstrate the capacity to trade

## Capacity to Trade

- ▶ Wholistic view of documentary evidence provided
- ▶ Individual items taken into account, no one item of evidence deems applicant accountable but can help to paint the picture
- ▶ Resources in Place; Financial and Human
- ▶ Business Plans, Bank Accounts, Employees, Place of Business...

# Common Issues in Disallowed Applications



CRO-registered with mainly non-resident directors or just one Irish-resident director



No proper place of establishment; use of agent's address, PO Box, or virtual/serviced office as business address



No evidence of contracts or customers



Inability to produce valid invoice



No employees, or agent/director listed as an employee for application purposes

# What can you do?

- ▶ Demonstrate that applicant is an Accountable Person S5 & S9 VATCA 2010
- ▶ Brief Description of Business Activity
- ▶ Documentary evidence of Business Activity or Trade in Ireland
- ▶ Documentary evidence of Business Activity or Trade from Ireland with other EU member states
- ▶ Clearly outline the place of supply
- ▶ Evidence of the place of supply
- ▶ Incoterms of sale, Duty Paid; where is ownership exchanged?



# Unhappy with outcome/interaction?



Engage with the caseworker dealing with all aspects of the request for information



If there still an issue request to engage with a manager



CS4 Complaints Procedure & Review



Appeal to TAC

# Postponed Accounting

VAT Registered before  
31/12/20: granted  
automatically

If applied for after that  
date it will be appraised

Application should be  
made for PA at the same  
time as application for  
Intra-EU VAT

VAT returns should be  
filed and up to date when  
applying for Intra-EU VAT  
or Postponed Accounting

To import goods trader  
must also be registered  
for C&E

# Other Common Registration Issues

- ▶ Forms not properly signed
- ▶ Missing Directors' details, including PPSN
- ▶ Missing Shareholder information
- ▶ Company directors not registered for Income Tax where they hold 15% shares or more
- ▶ Non-Resident Proprietary Director: Revenue cannot accept a CRO VIF number - a PPSN is required
- ▶ For GDPR purposes:
  - ▶ Do not submit multiple applications for various clients in one email
  - ▶ Do not submit query for client under incorrect registration number

# Online Services



Use ROS to

- ▶ Apply for new registrations
- ▶ Add or amend tax registrations; NB 'effective from' date
- ▶ Upload documents to support the application when applying
- ▶ Cease existing registrations; usually with effect from the last day in a taxable period, not first day in new period
- ▶ Change client official address, after changing with CRO
- ▶ Upload signed and dated agent links; only requests for backdating agent links should be forwarded through MyEnquiries
- ▶ Request Registration Status Letters

If you need to contact us, use [MyEnquiries](#), email is not secure