



## Value Added Tax

From		1 December 2008	1 April 2008
<b>Standard rate</b>		<b>15%#</b>	<b>17.5%</b>
<b>VAT Fraction</b>		<b>3/23#</b>	<b>7/47</b>
<b>Registration</b>	Last 12 months or next 30 days over	<b>£67,000</b>	£67,000
<b>Deregistration</b>	Next 12 months under	<b>£65,000</b>	£65,000
<b>Cash accounting scheme</b>	Up to	<b>£1,350,000</b>	£1,350,000
<b>Annual accounting scheme</b>	Up to	<b>£1,350,000</b>	£1,350,000
<b>Optional flat-rate scheme</b>	Up to	<b>£150,000</b>	£150,000

# Applicable on transactions between 1 December 2008 and 31 December 2009.

**Cash accounting scheme – allows businesses to account for input and output VAT on a paid and received basis.**

**Annual accounting scheme – allows businesses to smooth out cash flow by paying a set amount either monthly or quarterly. Only one VAT return due a year.**

**Flat-rate scheme – allows businesses to calculate their VAT payment as a percentage of their VAT inclusive turnover.**



For more information, contact Ian Sheekey at Hugh Davies & Co on 01722 336647.

**Hugh Davies & Co.**  
CHARTERED ACCOUNTANTS