

VAT Agenda

Happy New Year to you all

Three year capping

Further to my note in November The House of Lords has now released its decision regarding the three year capping cases in respect of *Conde Nast* and *Fleming*.

The Judgment was a resounding success for the tax payers and the three year capping was judged to be illegal and implemented incorrectly in the UK.

The claims relate to input tax under-claimed prior to May 1997 and over-paid output tax up to December 1996. Any claims could go as far back as April 1973.

Not surprisingly Customs are strangely quiet on the matter but it could mean that any claims reduced by the three year capping should be pursued for payment. In addition any claims not lodged as yet should be lodged as quickly as possible. Remember that any claims paid will also include interest – possibly compounded.

If you wish to discuss please give us a call.

Elysian Associates
January 2008
0008