

Value Added Tax

Transfer of a business as a going concern

Request for transfer of a registration number

Important:

- You must complete this form if you want to keep the registration number of the previous owner. **You must also complete form VAT 1** (and a form VAT 2 if the new owner is a partnership). The previous owner must **not** complete a form VAT 7 to deregister. Once the transfer of the registration number has been allowed, it cannot be revoked.
- The conditions that you and the previous owner **must** agree to are set out on the application form and are legally binding. This means that you will be liable for any outstanding VAT from the previous owner's registration. The previous owner will no longer be entitled to any repayments of VAT or unclaimed input tax, even if these amounts refer to periods before or after the transfer.
- If relevant the previous owner must cancel any Direct Debit that they have set up to pay their online VAT returns. If you are required to pay your VAT returns electronically you may want to set up a Direct Debit instruction. You can access this through the VAT online service on the HMRC website.
- To restrict access to those entitled to view data and ensure that your information is protected, where the previous owner used an accountant (or agent) for VAT Online Services you **must** either:
 - inform HMRC in writing preferably with this form, but at the latest within 21 days of the date this form is signed, that you intend to use the previous owner's accountant, or
 - ensure that the previous owner and the accountant take active steps to cancel the accountant's access to VAT Online Services.

When you have filled in this form and signed it please send it to:

HM Revenue & Customs
VAT Registration Service
Imperial House
77 Victoria Street
Grimsby
Lincolnshire
DN31 1DB

The following notes will help you to fill in this form. Remember both parts of the form must be completed - the first part by the new owner and the second part by the previous owner.

Who can ask for a number to be transferred?

If you are taking over a business as a going concern, or changing the status of your business (for example, from sole proprietor to a limited company, or partnership) you can, if you wish, apply for the previous owner's VAT registration number to be transferred to you.

When can I ask for a registration number to be transferred?

You can ask for a number to be transferred if:

- you are not already registered for VAT, **but**
- you become either liable or entitled to registration from the date the business is transferred to you, **and**
- the previous owner's registration will be cancelled from that date. (If the previous owner is still liable to be registered he cannot pass his number on to you), **and**
- the previous owner agrees to the transfer of the number.

Transfer of the number will **not** normally be allowed if the previous owner:

- has a Surcharge Assessment which remains unpaid or is the subject of an appeal
- was a member of a group registration
- was registered but had made no taxable supplies.

How do I apply and when?

Both you and the previous owner must agree to the transfer of the number. You must **both** fill in and sign this form as soon as the business is transferred and **before** the previous owner asks for his registration to be cancelled. We will treat this form as the previous owner's request for cancellation of his registration.

Who has to sign the form?

You must fill in and sign Part 1 and the previous owner must fill in and sign Part 2 of this form.

If you are simply changing the status of your business, (for example, from a sole proprietor to a limited company) you may have to sign both parts of the form if you are, or represent, both the new and previous owner.

If a partnership is involved, **all** the partners must sign the form.

If the previous owner was a sole proprietor and has died, or a partnership and one of the partners has died, the executor must sign the form.

What to do when you have filled in the form.

You must send this request to the address shown on the front of this form. If you have not already done so, you must also send a fresh form VAT 1 (and form VAT 2 if you are a partnership) to cover this change of ownership. We will write to tell you whether your application has been allowed.

If you have any difficulty completing this form, or require further advice, please contact the office shown on the front of this form.

Both parts of this Application Form must be filled in

Part 1 To be completed by the new owner

If you are the new legal entity or owner of the business, please read this form carefully and answer all the questions in Part 1.

- 1.** Please give your full name, or your trading name if you have one;

- 2.** Please give your legal status, eg sole proprietor, partnership, limited company

- 3.** I took over the business as a going concern on

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- 4.** Please give the name of the previous owner;

- 5.** I apply to use the previous owner's VAT registration number from the above date. The number is;

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- 6.** If this application is allowed, I agree to the following conditions:

- I will send in my first VAT return to Customs and Excise, with all the VAT due for the whole of the period shown on the form;
- I will send in any outstanding returns which are due from the previous owner;
- I will pay Customs and Excise any VAT due on supplies made by the previous owner before the business was transferred - including any VAT on stocks and assets kept by the previous owner.
- I agree that any VAT return made by the previous owner for a period after the transfer date will be treated as made by me; and
- I will have no right to claim any money paid by Customs and Excise to the previous owner, before the VAT registration number was transferred.

Signature(s)

(Proprietor, partners, director, company secretary, executor)

Part 2 To be completed by the previous owner

If you are the former legal entity or the previous owner of the business, please read this form carefully and answer all the questions in Part 2.

- 1.** Please give your full name, or your trading name if you have one;

- 2.** Please give your legal status, eg sole proprietor, partnership, limited company

- 3.** I transferred my business / changed my legal status on

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- 4.** Please give the name of the new owner;

- 5.** I wish to cancel my VAT registration number from the above date because I am no longer liable or eligible to be registered. I agree to transfer my number to the new owner. The number is

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- 6.** If this application is allowed, I agree to the following conditions:

- I will have no right to claim any money paid by Customs and Excise to the new owner.
- I agree that the new owner will be entitled to reclaim any input tax which Customs and Excise would normally have paid to me if the number had not been transferred; and

- 7.** I have retained stocks and assets valued at
£

- 8.** Please give an address where we can contact you after the business has been taken over by the new owner.

Signature(s)

(Proprietor, partners, director, company secretary, executor)

Checklist:

- Have all the questions been answered correctly?
- Have both you and the previous owner signed the form?
- Have you already filled in and returned a form VAT 1 to cover this change of ownership? If not, send it in with this form. Your application for the number to be transferred to you cannot be processed without an accompanying VAT 1.
- Have all the partners signed the form?
- Have you completed a VAT 2 if you are a partnership?
- Have you included a copy of the certificate of incorporation if you are a limited company?
- Have you let HMRC know, by writing to the address on the front page, if you want to use the same accountant (or agent) for online services as the previous owner?

Remember:

- Your registration will cover all your business activities.
- You will be liable for any VAT due on supplies made by the previous owner, even if they come to light after the transfer.
- The previous owner will no longer have any right to repayments of VAT, even if the repayments refer to the period before the transfer.
- If you do not intend to use the previous owner's accountant then, **to ensure that your data is protected**, you must make sure that the previous owner and accountant take active steps to cancel the accountant's access to VAT Online Services for this registration number. You may need to obtain confirmation from the previous owner that this action has been taken.
- If you are going to use the previous owner's accountant for VAT Online Services, you must inform us in writing (preferably with this form) within 21 days of signing the form.

Please return the completed form to:

HM Revenue & Customs
VAT Registration Service
Imperial House
77 Victoria Street
Grimsby
Lincolnshire
DN31 1DB

We will let you know if your application to transfer the registration number has been allowed.

How we use your information

HM Revenue & Customs is a Data Controller under the Data Protection Act 1998. We hold information for the purposes specified in our notification to the Information Commissioner, including the assessment and collection of tax and duties, the payment of benefits and the prevention and detection of crime, and may use this information for any of them.

We may get information about you from others, or we may give information to them. If we do, it will only be as the law permits to:

- check the accuracy of information
- prevent or detect crime
- protect public funds.

We may check information we receive about you with what is already in our records. This can include information provided by you, as well as by others, such as other government departments or agencies and overseas tax and customs authorities. We will not give information to anyone outside HM Revenue & Customs unless the law permits us to do so. For more information go to www.hmrc.gov.uk and look for Data Protection Act within the Search facility.