

Guidelines for VAT Registration

Part 38-01-03b

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1 Introduction

This manual outlines the process for approval of VAT Registration applications received through either the Revenue Online Services/e-Registration channel or the paper registration (TR) form.

Additional information concerning the operation of the VAT system and the eligibility criteria for VAT applicants may be accessed on the Revenue website at www.revenue.ie.

All references to legislation refer to the VAT Consolidation Act 2010 unless otherwise specified.

2 Importance of Appraising VAT Applications

The main priority when appraising a VAT application is to establish that the proposed registration relates to a business or individual who is, or who will become, an accountable person. An accountable person is a person who is required to charge VAT on supplies of taxable goods or services in the State and who is, or is required to be, registered for VAT. The legal requirements are set out in Section 65 of the VAT Consolidation Act 2010, and Article 19 of the VAT Regulation 2010.

VAT registration is a high risk area for Revenue because of the potential for bogus traders to register for the purpose of obtaining VAT-free goods in any EU State, or to falsely obtain VAT refunds. It is essential that effective screening takes place to ensure that only legitimate applications result in the issue of a VAT registration number. In any application where there is a doubt as to whether a genuine business exists, a visit should be made by a Revenue caseworker prior to granting a VAT registration number.

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[...]

See Part 4 for information on the potential risks associated with VAT registration applications.

3 Application for Registration

An application for VAT registration should be submitted online. There are a small number of applicant categories who currently cannot avail of eRegistration and may submit a paper application form. These are outlined at **3.2** below.

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[...]

3.1 Online application

The eRegistration service was introduced in 2009 and substantially upgraded in 2012 to enable agents to register, deregister and manage Agent-Client Links (register new links or cancel existing links) across a range of tax heads including VAT.

Applicants in the following categories cannot access the eRegistration service and should continue to submit paper applications:

- Individuals currently not eligible to register for myAccount
- Non-assessable spouses
- Where a non-resident director exists
- Unincorporated Bodies and Non-Profit Organisations e.g. Schools, Boards of Management, Charities
- Liquidators
- Receivers
- Executors
- Collection Agents
- VAT and RCT Re-registrations.

While a paper application is still required for a limited number of categories, paper applications that could otherwise be completed online should be returned with a request that the transaction be dealt with online; particularly those received from agents who are registered for ROS.

Where an agent applies to register a customer for VAT, the agent will be automatically linked on Revenue's records to the client for this tax type. The agent will be required to upload a letter of authorisation, signed by the customer, before the registration can be completed. The client, individual or business concerned is notified directly by Revenue of any eRegistration transaction resulting in the creation or cancellation of an agent link.

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3.2 Paper applications

Applicants in categories that cannot avail of the e-Registration facility (see 3.1 above) may use the appropriate paper form e.g. TR1 or TR1 (FT) and TR2 or TR2 (FT).

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[...]

3.3 VAT Registration application details

All applications, whether electronic and paper, request details which need to be considered in the appraisal of the VAT application. If any required information is missing, contact should be made with the applicant/agent as appropriate. A template query letter is attached at [Appendix 3](#).

3.3.1 Date of registration

The accountable person is required to specify the date from which they require to register. The commencement date of the registration may be backdated to a prior date only in cases where the annual expected turnover exceeds the VAT registration threshold.

A person may elect to be registered for VAT where turnover is less than the threshold, but may only register with effect from the beginning of the VAT period in which the application is made. The commencement date of registration cannot be backdated prior to that date.

If the date of registration is not completed, contact should be made to confirm the date from which registration is required, i.e. the date should not be assumed.

Occasionally, forward-dated applications are received but cannot be registered on the basis of a future date. These applications should be processed to Applicant Status and then registered, if appropriate, on the required date for registration.

3.3.2 Registration in respect of EU acquisitions only

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[...]

3.3.3 Reason for registering

The Applicant must indicate on the registration form the basis on which registration is being sought. If the Applicant is electing to register although their turnover is less than the prescribed limit for VAT registration, this should be clearly referenced on the application form.

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[...]

3.3.4 Expected Turnover and Registration Thresholds

Applicants are obliged to indicate the estimated turnover for their business. An accountable person established in the State is not required to register for VAT if their turnover does not reach the appropriate threshold; however, they may elect to register for VAT. If, for example, a person selling bicycles (23% rate) estimates their annual turnover to be €15,000, they are below the current turnover threshold for goods of €75,000 and are not obliged to register for VAT.

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[...]

3.3.5 Cash receipts

The applicant must indicate on the registration application if he/she is operating a cash receipt basis of accounting for goods and services by inserting an 'x' in the appropriate box.

A VAT registered trader usually accounts for VAT on an invoice basis. This means that the trader accounts for VAT on the basis of invoices issued during the VAT period regardless of whether or not payment has been received.

However, a trader may apply to account for VAT on the basis of moneys received. Further information on the moneys received basis of accounting is available on the Revenue website.

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[...]

3.3.6 Agent correspondence

Where the customer wishes to have correspondence, i.e. VAT 3s, issued to the agent, the relevant box must be ticked in Part A of the TR application form or in the relevant eRegistration field.

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[...]

3.3.7 Bank account details

This item refers to the bank account into which any VAT refunds will be made.

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[...]

3.3.8 Developer or landlord property details for VAT purposes

In applications concerning Property Development or Property Rental where it is not clear that there will be a taxable supply of the property, contact should be made with the applicant/agent. A template letter for this purpose is provided at [Appendix 4](#).

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[...]

3.4 Applications from non-residents

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[...]

3.5 Submission of supporting documentation via MyEnquiries

Supporting documentation is to be uploaded by the Applicant/Agent at the time the VAT application is submitted in MyEnquiries. The category (Enquiry relates to) 'Tax Registration/Cancellation' and the sub-category (More specifically) 'VAT Supporting Documentation', is to be used.

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[...]

As outlined in [Section 3.1](#) non-resident applicants are currently outside the scope of the online process. In such cases, any supporting documentation and information should be submitted with the paper application form.

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[...]

4.3 Section 108D of the VAT Consolidation Act 2010

Section 108D is an anti-fraud measure and enables Revenue to protect VAT revenues by ensuring that suppliers, particularly suppliers in other Member States, are aware of the cancellation of that particular VAT registration number and will charge VAT on future supplies.

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[...]

5.4 'Intention to Trade' applications

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.

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[...]

If the applicant is registering for VAT in advance of proposed property transactions, a contract which provides for future entitlement to the land may be taken as an indicator of 'intention to trade'. However the following minimum conditions must be met before the VAT in respect of a property transaction is allowable:

- The person must declare his/her intention to make a taxable disposal of an interest in the land **and**

- That intention must be supported by objective evidence. Such evidence can be:
 - Evidence of acquisition of an interest in the land or of an entitlement to develop the land
 - Evidence of application for/obtaining of planning permission for development of the land
 - Evidence of funding for the proposed development e.g. copies of up to date bank statements and other correspondence identifying transactions, including any deposits for the prospective purchase of the land, which support the claim that the person's intention is to make a taxable supply of the land in question.

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[...]

6 Registering a VAT Application

6.1 Section 110 estimates

Section 110 enables Revenue to enforce payment of tax against a taxable person who has failed to submit a return for any taxable period within the prescribed time after the end of that period.

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[...]

The S110 amount may be subsequently modified based on actual VAT returns. The amount may also be reduced to allow for the likely VAT incurred in respect of business purchases during the start-up period of the business.

A list of VAT rates applicable to over 2,500 goods and services is available on the Revenue website at www.revenue.ie.

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[...]

6.3 Re-registrations

All of the risk factors which apply to new registrations also apply to the reactivation of previously ceased VAT registrations and in particular where Section 108D letters have issued in the case. If the case was previously registered for VAT and is ceased on record, the re-registration should not be input until the application has been screened and approved in the normal manner.

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[...]

6.5 Mandatory eFiling of returns

Electronic filing of returns is mandatory in all cases unless an exemption has been granted by Revenue.

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[...]

7 Disallowing a VAT Application

Apart from applications where the bona fides of the application is in doubt, there may be other instances where an application for VAT registration has been disallowed. There may be no evidence of an accountable activity or the application may have been made in error. In such cases, the application should be disallowed with the appropriate notification issued to the applicant.

The main reasons an application may be disallowed include:

- **Exempt Activity**

The nature of the business is deemed to be an exempt activity at the time of the VAT Registration Application as specific in Schedule 1 of the VAT Consolidation Act, 2010.

- **Not Accountable**

Where it is deemed that the Applicant, at the time of Application is not an accountable person for the purposes of Value Added Tax as defined in Section 5(1)(a) of the VAT Consolidation Act 2010.

- **No VATable Activity**

Where there is no evidence that taxable supplies are being made and the conditions for VAT registration as set out in Section 5(1)(a) of the VAT Consolidation Act 2010 have not been met.

- **Liquidator/Receiver/Mortgagee**

The joint option for taxation of a supply of immovable goods requires that the goods which are being supplied form part of the assets of the business of an accountable person over which that Liquidator/Receiver/Mortgagee-In-Possession has been appointed. In circumstances where these requirements are not met the VAT Applications can be disallowed,

- **No Response**

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[...]

Template letters for each of the above scenarios are attached in the [Appendices](#).

7.1 Right of appeal

Officers should note that a person has the right of appeal against the refusal to grant registration in accordance with Section 119(2) VATCA. **Where a registration is refused, the applicant is to be advised of this right.** See Refusal template letter at [Appendix 11](#).

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[...]

8 Appendices

The following material is either exempt from or not required to be published under the Freedom of Information Act 2014.

[...]

Appendix 3 Standard Query Letter

Letter to Query TR1/TR2/ Registration Form

Re:

Dear Sir/Madam,

Please find enclosed TR1/TR2/PREM Reg. form that you submitted to this office. We are unable to process your application as the following information has been omitted:

- The form is not signed
- The business address and telephone number
- The Companies Registration Office number
- The main business or activity
- The PPS numbers for the directors/individuals/partners
- The names and addresses of directors
- The details of shareholders
- The date of registration for VAT/PREM
- Complete registration for PAYE/PRSI if you will have employees
- Bank Account details
- Other

I should be obliged if you would complete the form with the above information enclosed and return it to this office so that your application can be processed.

Yours sincerely,

Date

Appendix 4 Property Query Letter

(VAT Registration – Property Development/Property Rental)

Ref:

Date

Dear Sir/Madam,

Thank you for your recent application for VAT registration. To enable me to process same, please let me have the following information:

- a) Address of the property or properties
- b) Date purchased, date development commenced or due to commence and completion date (if applicable)
- c) Planning permission reference number (if applicable)
- d) Please also confirm how the property will be disposed of or used in a manner, which will give rise to a VAT liability e.g.
 - 1) By sale of the property, or
 - 2) By exercising the landlord's 'option to tax' rents.

The statement should be signed in the case of a partnership by the precedent acting partner or in the case of a company by the company secretary or director

N.B: It should be noted that the 'option to tax' cannot apply in certain circumstances. See 'VAT and letting of Property' on the Revenue website at www.revenue.ie.

Yours faithfully

Principal Officer
Registration Section

Appendix 5 Mandatory eFiling Notification

In all correspondence please quote:

VALUE ADDED TAX
ADVICE OF REGISTRATION

You are registered for Value Added Tax with effect from xx date. Your VAT number is **IE 9999999W** .

This number should be quoted as required on invoices, settlement vouchers, etc., and on Customs declarations.

You are accountable for tax on the basis of invoiced sales and services.

Please note that you must file a VAT Return and make a payment of VAT when due in order to avoid incurring interest and penalties. It is an offence under the Taxes Acts to carelessly or deliberately file an incorrect VAT return.

VAT 3 Returns/Payments via the Revenue Online Service (ROS).

You should note that your VAT3 returns and payments must be made electronically using ROS by the 23rd day of the month following the end of each two-month taxable period (January/ February, March/ April and so on). If you do not use ROS you could be subject to a monetary penalty. Further information regarding the mandatory use of ROS to both file and pay is available on www.revenue.ie under the ROS section.

Other Returns/Payments via ROS

Please note that you are also legally obliged to file returns and make payments electronically via ROS in respect of a range of other specified tax returns or if you are availing of certain reliefs and exemptions set out on the mandatory e-filing section on www.revenue.ie.

If you do not have the capacity to make returns and payments electronically, you can apply to be excluded from the obligation to do so. Please see overleaf for exclusion conditions and how to apply.

If you are not already registered for ROS you should register now, in three easy steps, by logging onto www.revenue.ie and clicking on Online Services/ROS tab. There you will find step-by-step instructions on registering for ROS and additional information that will answer any questions you might have. Assistance with registration, if required, is also available from our ROS Technical Helpdesk at 1890 201106. There are also a number of videos on YouTube/Revenue Ireland on ROS Digital Certificates..

If Revenue has a record of a tax agent acting on your behalf, your tax agent will also receive a copy of this notification.

Cessation: Resident/Non-Resident Individual/Company.

In the event of your trading activity having ceased in the State, you are obliged to cancel your tax Registration number. This can be done online via ROS or by completing Form TRCN1 which is available on the Revenue website.

Yours faithfully

District Manager

Specified Returns* and Specified Tax Liabilities* that must be paid and filed on ROS if they are applicable to your circumstances include

	Specified Return	Specified Tax Liability
Corporation Tax	Form CT1	Preliminary Tax and Balance Due
Partnership	Form 1 (Firms)	-
Trusts	Form 1	Preliminary Tax and Balance Due
Income Tax	Form 11	Preliminary Tax and Balance Due
High Earner Restriction	Form RRI	-
Employer PAYE/PRSI	Form P30 Form P35 Forms P45 and P46	All PAYE/PRSI due
Value Added Tax	Form VAT 3 Annual Return of Trading Details (RTD) VAT on e-services Quarterly Return	VAT due Quarterly VAT due on e-services
Capital Acquisitions Tax (Gifts and Inheritances)	Annual Return	Annual payment
Betting Duty	Quarterly Return	Quarterly Payment
Dividend Withholding Tax (DWT)	Monthly Return	Payment of DWT deducted from relevant distributions in previous month
Deposit Interest Retention Tax (DIRT)	Annual Return	Interim payment and Balance Due
Life Assurance Exit Tax (LAET)	Biannual Return	Biannual payment
Investment Undertaking Exit Tax (IUT)	Biannual Return	Biannual payment
EU Savings Directive	Annual Return	-
3rd Party Payments Return (46G/46G company)	Annual Return	-
Air Travel Tax	Annual Return	Monthly payment

***Please note that the above list is not exhaustive, you may be liable for other taxes and duties e.g. RCT, that may only be filed and paid electronically. Please consult www.revenue.ie if in any doubt.**

Exclusion from Mandatory Electronic Filing and Payment of Tax

Revenue may exclude a taxpayer from their obligation to pay and file electronically, if Revenue is satisfied that the taxpayer does not have the capacity to do so. If you consider that you qualify for an exclusion you can apply in writing stating your reason(s) to your local tax office.

'capacity' means sufficient access to the Internet, by which either or both a specified return or the payment of any specified liabilities may be made by electronic means and, in the case of an individual, also means not prevented by reason of age, or mental or physical infirmity from either or both making a specified return or paying any specified liabilities by electronic means.

Where Revenue does not approve a request for exclusion, the taxpayer has a right to make a formal appeal to the Appeal Commissioners. This appeal must be submitted in writing to the Revenue Commissioners. Details will be available on the notification received from the Revenue Commissioners.

Appendix 6 Exempt Activity Letter

Name

Address 1

Address 2

Address 3

Date:

Re:

Reference Number:

Application for VAT Registration

Dear Sir/Madam

I refer to your application to register the above named for Value Added Tax (VAT).

Please note that based on the information provided, I am satisfied that the nature of the business is (enter nature of business) and is an exempt activity at this time as specified in Schedule 1 of the VAT Consolidation Act, 2010. (Enter relevant Schedule/Section). Accordingly, I am disallowing your application for VAT registration.

Please do not hesitate to contact the undersigned should you wish to discuss this matter.

Yours faithfully

Name:

Unit:

Phone Number:

Appendix 7 Not Accountable Letter

Name

Address 1

Address 2

Address 3

Date:

Re:

Reference Number:

Application for VAT Registration

Dear Sir/Madam

I refer to your application to register the above named for Value Added Tax (VAT).

Having reviewed your application, I am satisfied that you/your company/your client (delete as appropriate) is not an accountable person for the purposes of Value Added Tax as defined in Section 5(1)(a) of the VAT Consolidation Act 2010.

I am therefore disallowing your application for Vat registration.

Should you wish to discuss this matter further, please do not hesitate to contact the undersigned.

Yours faithfully

Name:

Unit:

Phone Number:

Appendix 8 No Vatable Activity Letter

Name

Address 1

Address 2

Address 3

Date:

Re:

Reference Number:

Application for VAT Registration

Dear Sir/Madam

I refer to your application to register the above named for Value Added Tax (VAT).

Please note that based on the information available to me, I am not satisfied that there is objective evidence that taxable supplies are being made. Accordingly, as the conditions for VAT registration as set out in Section 5(1)(a) of the VAT Consolidation Act 2010 have not been met, I am disallowing your application for registration.

Should you wish to discuss this matter further please do not hesitate to contact the undersigned.

Yours faithfully

Name:

Unit:

Phone Number:

Appendix 9 Liquidator/Receiver/Mortgagee Letter

Name

Address 1

Address 2

Address 3

Date:

Re:

Reference Number:

Application for VAT Registration

Dear Sir/Madam

I refer to your application to register for Value Added Tax (VAT) for the above entity.

The joint option for taxation of a supply of immovable goods by a Liquidator/Receiver/Mortgagee-In-Possession (delete as appropriate) to a taxable person requires that the goods which are being supplied form part of the assets of the business of an accountable person over which that Liquidator/Receiver/Mortgagee-In-Possession has been appointed.

As the immovable goods subject to sale by the Liquidator/Receiver/Mortgagee-In-Possession (delete as appropriate) do not meet these requirements, I am disallowing your application for VAT registration.

Should you wish to discuss this matter further please do not hesitate to contact the undersigned.

Yours faithfully

Name:

Unit:

Phone Number:

Appendix 10 No Contact Letter

Name

Address 1

Address 2

Address 3

Date:

Re:

Reference Number:

Application for VAT Registration

Dear Sir/Madam

I refer to your application of (Enter date) to register the above named for Value Added Tax (VAT).

An enquiry letter subsequently issued to you on (enter date) seeking further information/clarification which is required to progress your application.

To date, I note that no response to this letter has been received. Accordingly, I am writing to inform you that your application for VAT registration has been disallowed at this time.

Should you wish to discuss this matter further please do not hesitate to contact the undersigned.

Yours faithfully

Name:

Unit:

Phone Number

Appendix 11 Refusal letter

Name

Address 1

Address 2

Address 3

Date:

Reference Number:

Application for VAT Registration

Dear Sir/Madam

I refer to your application of (*Enter date*) to register the above named for Value Added Tax (VAT).

I am advising you that your application for VAT registration has been refused.

If you wish to appeal against this refusal, you must do so within the period of 30 days after the date of the refusal by completing and submitting a 'Notice of Appeal' form to the TAC. The 'Notice of Appeal' form, which is available on the TAC's website <http://www.taxappeals.ie> contains the address to which an appeal is to be sent. You will be required to submit a copy of the refusal with your 'Notice of Appeal'. The TAC can be contacted by email at info@taxappeals.ie.

Yours faithfully

Name:

Unit:

Phone Number