

## Accounting software updates for the new VAT rate of 15%

### Quick books – 2008 version

From the **Lists** menu choose **VAT Codes List** click on the **VAT code box** and choose **New**.

You will need to assign a code to the new rate and we suggest **NS** to stand for **New Standard**.

Put a **dot** in the circle to indicate that the new item is **taxable** and then in the **VAT item for purchases** click on **add new** from the drop down box, and type **VAT on Purchases at 15%** in the **VAT item name** and this will then automatically come up in the box below. Enter the rate **15%** in the **rate% box**, choose **HM Customs & Excise** as the **VAT agency** from the drop down box and then choose **Domestic purchases enter in box 4, box 7** as the **VAT return box**. Then click on **OK**

Then in the **VAT item for sales** click on **add new** from the drop down box, type **VAT on Sales at 15%** in the **VAT item name** and this will then automatically come up in the box below. Enter the rate **15%** in the **rate % box** and choose **HM Customs & Excise** as the **VAT agency** from the drop down box. Then choose **Domestic sales enter in box 1, box 6** as the **VAT return box**. Then click on **OK**

Once we have reached 1<sup>st</sup> December or you wish to raise an invoice dated on or after 1<sup>st</sup> December you can make the new standard rate of 15% your default rate by going into the **Edit menu** and choosing **preferences**. In the **company preferences** for **VAT** you can then select **NS** as your default rate so that this will be the rate that is automatically selected.

Where you have previously selected a default rate of **S** for specific nominal codes you will need to alter the default settings for these codes individually.

### Quick books – 2005 or 2006 version

From the **Lists** menu choose **VAT Codes List** click on the **VAT code box** and choose **New**.

You will need to assign a code to the new rate and we suggest **NS** to stand for **New Standard**.

Enter **15%** as the rate.

Once we have reached 1<sup>st</sup> December or you wish to raise an invoice dated on or after 1<sup>st</sup> December you can make the new standard rate of 15% your default rate by going into the **Edit menu** and choosing **preferences**. In the **company preferences** for **VAT** you can then select **NS** as your default rate so that this will be the rate that is automatically selected.

### **Sage Line 50**

In the **Settings menu** click on **Configuration** and then click on the **tax codes** tab. We suggest using T3 as the new standard 15% rate so highlight **T3** click on **edit**. Enter **15%** as **the rate** and we suggest you use the **description** of **New standard**. Then click on **Apply**.

For purchases and sales on or after 1<sup>st</sup> December 2008 you can alter the **default tax codes** for **suppliers** and **customers** to **T3** by editing the customer or the suppliers record.

## 15.2 VAT fuel scale charges for 3 month period

CO2 band	VAT fuel scale charge, 3 month period, £	VAT on 3 month charge, £	VAT exclusive 3 month charge, £
120 or less	138.00	18.00	120.00
125	207.00	27.00	180.00
130	207.00	27.00	180.00
135	207.00	27.00	180.00
140	221.00	28.83	192.17
145	234.00	30.52	203.48
150	248.00	32.35	215.65
155	262.00	34.17	227.83
160	276.00	36.00	240.00
165	290.00	37.83	252.17
170	303.00	39.52	263.48
175	317.00	41.35	275.65
180	331.00	43.17	287.83
185	345.00	45.00	300.00
190	359.00	46.83	312.17
195	373.00	48.65	324.35
200	386.00	50.35	335.65
205	400.00	52.17	347.83
210	414.00	54.00	360.00
215	428.00	55.83	372.17
220	442.00	57.65	384.35
225	455.00	59.35	395.65
230	469.00	61.17	407.83
235 or more	483.00	63.00	420.00

## 16 Annex E - Flat Rate Scheme – New Percentage Rates

Category of business	Appropriate percentage
Accountancy or book-keeping	11.5
Advertising	8.5
Agricultural services	7
Any other activity not listed elsewhere	9
Architect, civil and structural engineer or surveyor	11
Boarding or care of animals	9.5
Business services that are not listed elsewhere	9.5
Catering services including restaurants and takeaways	10.5
Computer and IT consultancy or data processing	11.5
Computer repair services	10
Dealing in waste or scrap	8.5
Entertainment or journalism	9.5
Estate agency or property management services	9.5
Farming or agriculture that is not listed elsewhere	5.5
Film, radio, television or video production	9.5
Financial services	10.5
Forestry or fishing	8
General building or construction services*	7.5
Hairdressing or other beauty treatment services	10.5
Hiring or renting goods	7.5
Hotel or accommodation	8.5
Investigation or security	9
Labour-only building or construction services*	11.5
Laundry or dry-cleaning services	9.5
Lawyer or legal services	12
Library, archive, museum or other cultural activity	7.5
Management consultancy	11
Manufacturing that is not listed elsewhere	7.5
Manufacturing fabricated metal products	8.5
Manufacturing food	7
Manufacturing yarn, textiles or clothing	7.5
Membership organisation	5.5
Mining or quarrying	8
Packaging	7.5
Photography	8.5
Post offices	2
Printing	6.5
Publishing	8.5
Pubs	5.5
Real estate activity not listed elsewhere	11
Repairing personal or household goods	7.5
Repairing vehicles	6.5
Retailing food, confectionary, tobacco, newspapers or children's clothing	2

Category of business	Appropriate percentage
Retailing pharmaceuticals, medical goods, cosmetics or toiletries	6
Retailing that is not listed elsewhere	5.5
Retailing vehicles or fuel	5.5
Secretarial services	9.5
Social work	8
Sport or recreation	6
Transport or storage, including couriers, freight, removals and taxis	8
Travel agency	8
Veterinary medicine	8
Wholesaling agricultural products	5.5
Wholesaling food	5
Wholesaling that is not listed elsewhere	6

“Labour-only building or construction services” means building or construction services where the value of materials supplied is less than 10 per cent of relevant turnover from such services; any other building or construction services are “general building or construction services”.