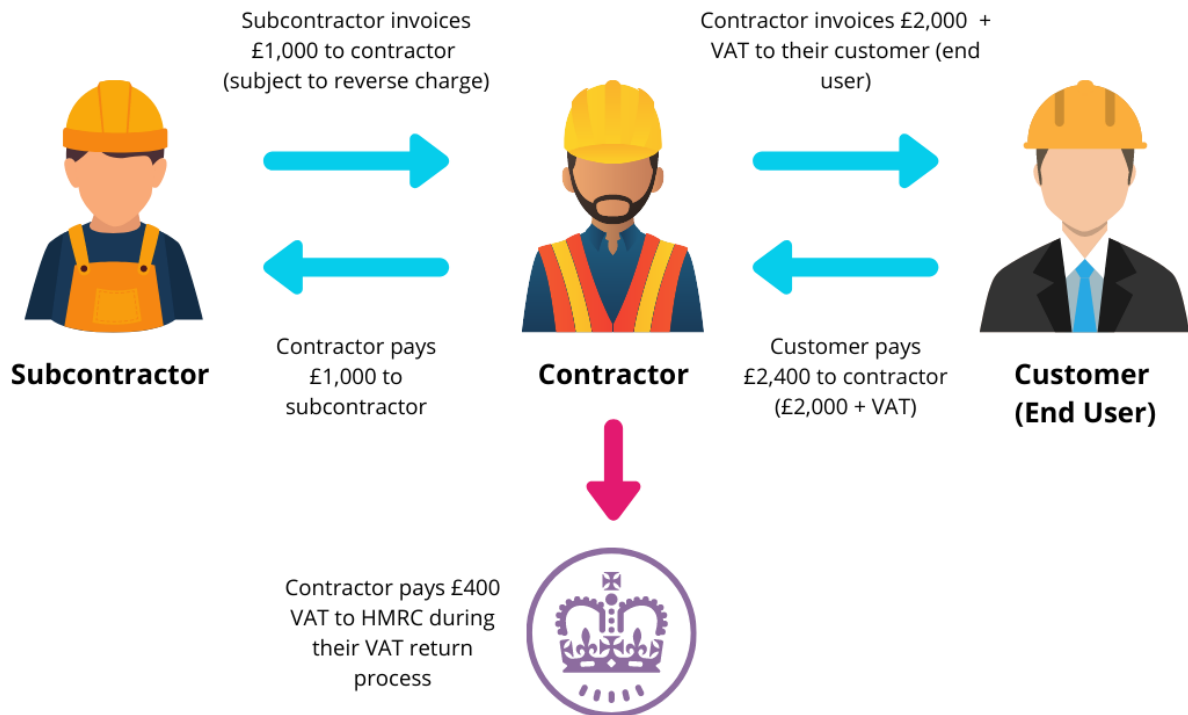


Protean 7.4

Feature Release 2



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Reverse Charge VAT

Domestic reverse charge VAT legislation is a change in the way CIS registered construction businesses handle and pay VAT. It is being introduced in the UK on 1 March 2021, having previously been delayed from October 2019.

The domestic reverse charge VAT procedure is an anti-fraud measure designed to counter sophisticated criminal attacks on the UK VAT system. It intends to cut down on “missing trader” fraud, where companies receive high net amounts of VAT from their customers but have no intention of paying the VAT to HMRC.

It affects VAT registered construction businesses who supply or receive construction and building services that are reported under the Construction Industry Scheme (CIS). It means the customer (contractor) will be responsible for the VAT due to HMRC instead of the supplier (subcontractor).

SALES

Maintenance Contracts

Following the work in FR1.5 Protean now also supports Reverse Charge VAT invoicing from Maintenance Contracts. This works in the same way the other Sales Invoicing producing areas of the system that were covered in FR1.5

Credit Notes

When raising sales credits against an RC VAT sales invoice the RC VAT arrangements are taken into account and supported correctly.

PURCHASES

Following the work in FR1.5 on the Purchase Invoice Matching form to support reverse charge VAT supplier invoices the following tabs have now been modified to support RC VAT:

Nominal Analysis

Carriage

Job Costs

Cross Hire

Returns (Credit Notes)

The Summary Tab of the Purchase Invoice has also been enhanced to improve clarity for the users when RC VAT is involved.

ACCOUNTS LINKS UPDATE

Pegasus Opera 3

Protean now offers full Reverse Charge VAT support to Opera 3 users

Sage 200

Users can now post Reverse Charge VAT supplier invoices correctly to Sage 200 via Protean