

Newgate (Newark) Ltd
Brunel Drive
Newark
Nottinghamshire
NG24 2DE
Tel: 01636 700172



To Whom It May Concern

Re: VAT Reverse Charge

F.A.O. Accounts: VAT, Domestic Reverse Charge – 1 March 2021

As you may be aware, HMRC is introducing a VAT domestic reverse charge on construction services which come under the scope of the Construction Industry Scheme with effect from 1st March 2021. For guidance on supplies that are within the scope of CIS please see HMRC publication CIS 340.

These rules are described <https://www.gov.uk/guidance/vat-domestic-reverse-charge-for-building-and-construction-services>.

As Newgate (Newark) Ltd is an “intermediary supplier”, VAT invoices raised by yourselves dated for post 1 March 2021 for 20% or 5% supplies should no longer show VAT charged to Newgate (Newark) Ltd.

Instead, it should be stated on the invoice that the domestic reverse charge applies, the rate of VAT that applies (5% or 20%) and that the customer (Newgate (Newark) Ltd) is required to account for VAT.

Any invoices received which do not comply with the above will be returned to yourselves to allow them to be re-invoiced.

To assist with subcontractor obligations as a result of this change, Newgate (Newark) Ltd is registered for the CIS Scheme (UTR No: 1505001975 Gross Rate) and is VAT Registered (VAT No: 416152186).

Any other information required please don't hesitate to contact me on purchaseledger@newgate.uk.com.

Thanks,

Karen Wood
Purchase Ledger Clerk

Registered in England No: 1870156
Registered Office: Brunel Drive, Newark, Notts, NG24 2DE
Vat Reg No: 416152186