

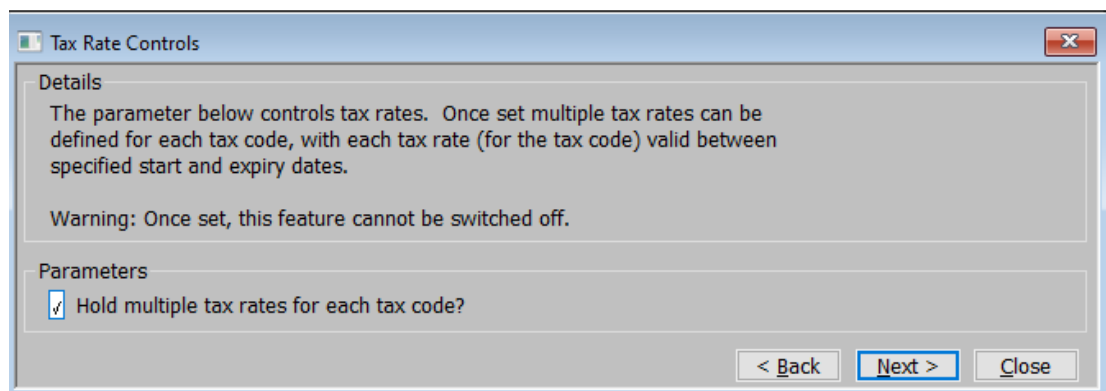
VAT cut on hospitality and tourism from 20% to 5%; from 15th July 2020 to 12th January 2021

The Chancellor of the Exchequer, Rishi Sunak, announced on 8th July that he is cutting the rate of Value Added Tax (VAT) on hospitality and tourism from 20% to 5% effective from 15 July 2020 to 12 January 2021.

The VAT rate reduction applies to food and non-alcoholic drinks as well as accommodation and admission to attractions across the UK.

This bulletin describes how to configure Global 3000 V6.0 for this temporary change.

1. Ensure G-3000 is configured to “Hold multiple tax rates for each tax code?” in System Parameters - Administration – Operating Options.



2. Add a new Tax Code in “System Parameters - Administration – Operating Options – Tax Codes - VAT code maintenance”. For the purposes of this bulletin we are using HT for Hospitality and Tourism.

Code	Description	Today's Rate
C	Community Export VAT	0.00
N	Non-Vatable	0.00
O	Overseas Export VAT	0.00
RC	Non Domestic Rev Chg	20.00
RD	Reverse Charge Domes	20.00
S	Standard VAT Rate	20.00
U	Outside Scope of VAT	0.00
X	Exempt VAT	0.00
Z	Zero Rated VAT	0.00
HT	Hospitality Tourism	

Details
☐ Exclude from VAT report?

Control Accounts Amend Close
 Rates VAT Options

With the rates set up as follows.

Code	Description	Country	Start Date	Expiry Date	% Rate
HT	Hospitality Tourism	GB Great Britain	-- None --	14/07/2020	20.00
HT	Hospitality Tourism	GB Great Britain	15/07/2020	12/01/2021	5.00
HT	Hospitality Tourism	GB Great Britain	13/01/2021	-- None --	20.00
HT	Hospitality Tourism				

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This ensures that all transactions outside the period are processed at 20.00%.

Please take care to ensure that you use the appropriate tax code.

- In addition, if you use Global 3000 Sales Order Processing you should, for products that qualify for the reduced rate, update Product Maintenance – Sales Details – VAT code to ensure that SOP transactions use the new code, when appropriate.

Details

Selling unit: ITEM

Price as: [dropdown]

Quantity discount scheme: [dropdown]

Trade discount scheme: [dropdown]

R.R.P.: [text box]

Allow back orders? Yes

VAT code: HT

EC VAT code: C

Limit transaction qty to multiples of: 1 ITEM

☐ Sales are classed as supplies of broadcasting, telecommunications or e-services (BTE)?

☒ Settlement discount?

☒ Print on delivery notes?

☐ Depend on prior?

☐ Direct ordering?

Delivery labels? None

Number of labels: [text box]

Carton size: [text box]

☐ Prevent part deliveries?

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