Construction Sector VAT Reverse Charge



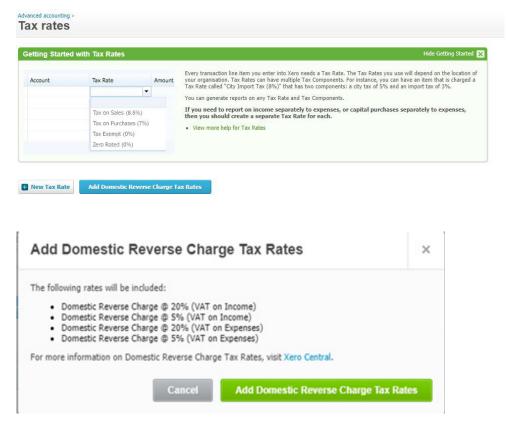
CHARTERED ACCOUNTANTS AND BUSINESS ADVISORS

Banbury 01295 270200 | Bicester 01869 252151 High Wycombe 01494 448122 | Witney 01993 700010

whitleystimpson.co.uk

Xero

To add the domestic reverse charge codes in Xero you need to go to Settings, click advanced settings, select tax rates, then there is a button which says 'Add Domestic Reverse Charge VAT Rates':



Example invoice:

Description	Quantity	Unit Price	VAT	Amount GBP
Construction work	1.00	200.00	Domestic	200.00
			Reverse	
			Charge @	
			20% (VAT on	
			Income)	
			Subtotal	200.00
Reverse charge applies to items marked with	TOTAL	DOMESTIC REVERS	E CHARGE @	0.00
'Domestic reverse charge'. Customers need to account for VAT on these items to HMRC, at the rate shown.	20% (VAT ON INCOME)			0.00
	TOTAL GBP			200.00
	Less CIS Deduction 20%			40.00
	AMOUNT DUE GBP			160.00