



VAT Booklet and Certificate of Declaration Form

SmartestEnergy Limited

v1 | June 2021
Customer Services



VAT Information

Below we include useful VAT information to support you in understanding when and how to make use of our VAT Certificate of Declaration Form, what to consider and how to contact us if you have any related questions.

How to claim 5% VAT for eligible domestic or charitable non-business use:

How to claim 5% VAT If you wish to submit a claim for any domestic or charitable non-business use that is eligible for 5% VAT (this is known as qualifying use) please:

- (i) Complete the separate VAT Certificate of Declaration Form included in at the back of this booklet
- (ii) Provide brief details about the basis of your claim and the effective date for the claim, or enclose a separate covering letter detailing that information when returning the VAT Certificate of Declaration Form to us
- (iii) Send back the completed VAT Certificate of Declaration Form (with a covering letter if appropriate) to the email or postal address quoted on the form. Once accepted, the corresponding qualifying use percentage will be applied to your account. If for any reason your circumstances change, you should notify us by submitting a new VAT Certificate of Declaration Form

Important points to remember:

- The percentage claimed should be to the nearest whole number
- The percentage of 'qualifying' use must be your own estimate
- You should try to apportion the amount of electricity used for heating, lighting, appliances etc. between 'qualifying' domestic or charitable non-business use and 'nonqualifying' business use

Where the claim is for 60% or more qualifying domestic or charitable non-business use, all of the supply, including that used for business purposes, will be charged at the reduced VAT rate, currently 5%. Your claim should, however, reflect the actual percentage of 'qualifying' use only.

You must be able to demonstrate to HM Revenue & Customs (HMRC) if required, that the electricity on which you are claiming the 5% reduced rate of VAT is for qualifying use. A false statement or failure to advise us of any significant change in your circumstances may make you liable to a financial penalty under Paragraph 101 of the Finance Act 2000 and/or the Value Added Tax Act (as amended from time to time).

Business use in line with current legislation:

If your electricity is used solely for business purposes, VAT will usually be charged at the standard rate. Climate Change Levy (CCL) where applicable and VAT on the CCL will also be added to the bill.

Business and small quantities use:

If the average business use during the billing period does not exceed 33 kWh per day (1,000 kWh per month) of electricity at one premise, it is considered to be domestic use for VAT purposes and VAT is chargeable at the reduced rate of 5%.

This concession is applied automatically at the time of billing and there is no need for the customer to complete a certificate in order to claim 5% VAT on low business usage. Any supply that attracts 5% VAT,

is also automatically excluded from CCL. The small quantities criteria is applied as explained above, regardless of whether the bill is based on actual meter consumption or an estimate.

Charities:

There is no general relief from VAT for charities and the registration of a charity does not automatically qualify it for the reduced rate of VAT on electricity supplies. If however, the supply is used wholly or partly for charitable non-business or domestic use, the legislation does provide specific relief whereby that part of the supply qualifies for the 5% reduced rate of VAT.

For more details on the application of the reduced rate of VAT please refer to VAT Notice 701/19 on fuel and power.

Contacting SmartestEnergy:

In the first instance, email your dedicated Customer Service Executive. If you are unsure who this is, please:

Call us: 01473 234151

Email us: customerservices@smartestenergy.com

Our phone lines are open between 8.30am and 5.30pm Monday to Friday only. Please note, calls may be recorded and monitored as part of our customer care programme.

If you would like to contact us by post, please:

Write to us: Customer Services SmartestEnergy Ltd Grafton House, 15-17 Russell Road, Ipswich, Suffolk, IP1 2DE.

Please note, our registered office address is in London: SmartestEnergy Limited, Registered Number 3994598, Registered Office: The Columbus Building, 7 Westferry Circus, London, England, E14 4HD. Incorporated in England and Wales.

View our website: smartestenergy.com

Emergency Contact Information:

For emergencies and power failures, please contact your Local Electricity Distributor's 24-hour Supply Fault Information Centre – you'll find the number at the top of your bill. We also have a useful list of emergency contacts available via our website that you can reference at any time.

If there's an electrical emergency or power outage, simply call 105 from your mobile or landline and the telephone service will automatically direct you to the network distributor's emergency number for your area.

VAT Certificate of Declaration Form

This SmartestEnergy Limited VAT Certificate of Declaration Form is to be completed by customers qualifying for the reduced rate of VAT. If the certificate is not fully completed, we may have to return it to you for further clarification.

Note: Please complete a separate VAT Certificate of Declaration Form for each separate premises.

For information on VAT applicable to energy supplies, please contact the HMRC VAT helpline on 0845 010 9000 or visit the HMRC website - hmrc.gov.uk - and refer to HMRC VAT Notice 701/19: fuel and power.

Instructions:

There are two ways to complete this form:

1. Use Adobe PDF to fill in the fields then print and sign the declaration
2. Print the form first then fill in the fields by hand and sign the declaration

Instructions for submitting this form by email or post can be found at the end of the form. If you have any related questions or need help completing this form, please email your dedicated Customer Service Executive. If you are unsure who this is, please call us: 01473 234151

Part 1 – Customer Details

Qualifying Customer Name:

Address of Qualifying Premises:

Customer Account Number:

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Company Registration Number:

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VAT Registration Number (if registered):

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Charity Registration Number (if registered):

Ofsted Registration Number (if registered):

Part 2 – Claim Details

Reason for claim (tick one box only):

- Domestic use
- Charitable non-business use
- Combined business and domestic use
- Exempt charity

Explanation of your claim:

Part 3 – Supply Details and Qualifying Feedback

Please provide the MPAN number(s) relevant to this declaration and remember that one form per property is required.

Electricity MPAN numbers:

If you require more space, please attach your MPAN list to this document.

Percentage of total consumption qualifying for the reduced rate of VAT (nearest whole number):

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 %

Note: You must be able to demonstrate to HMRC if required that the percentage(s) on which you are claiming the reduced rate of VAT is for a valid qualifying cause.

Date from which the reduced rate of VAT should apply:

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Part 4 - Declaration

Please tick the following boxes:

- I certify that the information given is correct and complete. I undertake to inform SmartestEnergy of any changes in circumstances
- I am duly authorised to make and sign this declaration on behalf of the named qualifying business
- I have attached the required evidence to support this claim

SmartestEnergy Limited or HRMC may check the validity of a declaration at any time. If an incorrect certificate is given, you may be liable to penalties under the provision of S62 of the VAT Act 1994 [VAT] and/or Paragraph 101 of the Finance Act 2000 [Climate Change Levy], equal to the amount of VAT that should have been charged to you, less the amount of VAT that was actually charged and/or 105% of the CCL relief over-claimed.

Signed:

Date:

Full name of Signatory:

Position in organisation:

Contact telephone:

Contact email:

Part 5 - Submit your Declaration

By post: SmartestEnergy Limited, 5th Floor, 15-17 Russell Rd, Ipswich, IP1 2DE

By email: Save the file and email as an attachment to your dedicated Customer Service Executive.