

VAT Changes 4th January 2011

In order to ensure that you are invoicing correctly with the new VAT rate of 20% for work done on or after 4th January 2011, please follow the steps below.

- 1) Ensure you are up to date with your billing and have entered all invoices for work done prior to 4th January in the usual way.

- 2) From the main menu, go to Misc, Preferences, Billing Preferences, VAT Rates.
Change the rate for "S" from to 20
Change the rate for "X" to 17.5
Either press the "Page Up" key on the keyboard, or click into the first entry on the list.
Click OK.

To check these settings have saved correctly, go back into Misc, Preferences, Billing Preferences, VAT Rates and check they are correct.

- 3) You can now invoice as normal for work done on or after 4th January and the new vat rate of 20% will automatically be applied.

- 4) If you use Practice Manager to record Outgoing Expenditure then you will need to pay close attention when entering payments to check what vat rate you were charged.

For older supplier invoices where you were charged VAT at 17.5% you will need to select the VAT rate as "X". For newer invoices where you were charged at 20%, select VAT rate as "S".