

## **Elida Table**

**20 October 2006**

This is an updated version of the “Elida table.” It sets out the position in respect of demonstrator bonus payments to dealers and has been compiled on the basis of information supplied from business and from within Customs. It has been revised and re-issued to assist with claims made under Business Brief 13/06.

Items updated since the October 2004 version are shown in pink.

### **Further or supplementary claims: General guidelines:**

- Any supplementary claims must be made in the form of voluntary disclosures in accordance with Business brief 13/06.
- Where no claim is payable by HMRC under the Italian case, then any payment due under an Elida claim will be limited to the extent of input tax blocked cars sold at a loss.

**Because some claims may be complex, each case will be reviewed on its own merit and decisions made and advised accordingly.**

### **Elida table, revised October 2006**

The table has been revised to bring it up to date with all information provided during and after the transitional period which originally allowed claims to be submitted up to 30 June 2003.

#### **Note 1.**

Columns 1 and 2 on the right hand side of the pages are in respect of errors arising as either output tax or input tax under the terms of the Elida Gibbs decision.

#### **Note 2.**

Columns 3 and 4 to the right of the table cover the circumstances where accounting errors were made which gave rise to underclaims of input tax (column 3) or overdeclarations of output tax (column 4). These errors did not arise as a result of incorrect decisions by HMRC. As such, there was no Departmental error and you should refer to note 3 below. As these errors should not have arisen, there should be no assumption that businesses made the errors.

#### **Note 3.**

Statutory Interest (SI) is only payable where there is HMRC error. Where a claim is payable under columns 1 and 2, SI will be payable if requested. Where it is payable under columns 3 and 4, SI will not be due for periods before 4 December 1996 (or 30 April 1997, depending on the error, see Business Brief 13/06).

<u>Demo bonus/discount</u>					<u>“Elida” case</u>		<u>Non “Elida” case</u>	
<b>Make</b>	<b>Accounting document</b>	<b>Followed line of supply?</b>	<b>VAT liability shown</b>	<b>Years</b>	<b>Column 1</b> See note 1 above	<b>Column 2</b> See note 1 above	<b>Column 3</b> See note 2 above	<b>Column 4</b> See note 2 above
<b>Alfa Romeo</b>	Self bill	No	S/R	From 01/01/1990 to 31/08/92	Yes if VAT posted as output tax.	Yes if VAT posted as input tax	No	No
<b>Alfa Romeo</b>	See Fiat	See Fiat	See Fiat	01/09/92 to 31/03/94	No	No	Yes if adjusted input tax.	Yes if adjusted output tax.
<b>Alfa Romeo</b>	See Fiat	See Fiat	See Fiat	01/04/94 to 30/11/95	Yes if VAT posted as output tax.	Yes if VAT posted as input tax	No	No
<b>Alfa Romeo</b>	See Fiat	See Fiat	See Fiat	From 01/12/95	Yes, if VAT posted as output tax.	Yes if VAT posted as input tax	No	No
<b>Audi</b>	See VW	See VW	See VW	See VW	See VW	See VW	See VW	See VW
<b>BMW</b>	Credit note	?	S/R	November 1980 to Jan 1992	Only if vehicles funded via manufacturer approved finance house and VAT on bonus posted as output tax.	Only if vehicles funded via manufacturer approved finance house and VAT on bonus posted as input tax.	If demo not funded by manufacturer approved finance house and input tax adjusted.	If demo not funded by manufacturer approved finance house and output tax adjusted.

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<b>BMW</b>	Credit note	Yes	S/R	1/02/1992 onwards	No.	No	Yes if adjusted input tax.	Yes if adjusted output tax.
<b>Citroen</b>	Credit note	?	S/R	1993 to 1996	Only if vehicles funded via manufacturer approved finance house and VAT on bonus posted as output tax.	Only if vehicles funded via manufacturer approved finance house and VAT on bonus posted as input tax.	If demo not funded by manufacturer approved finance house and input tax adjusted.	If demo not funded by manufacturer approved finance house and output tax adjusted.
<b>Daihatsu</b>	Self bill	?	S/R	1984 to 1994	Yes if VAT posted as output tax.	Yes if VAT posted as input tax	No	No
<b>FIAT</b>	Invoice	?	O/scope	Until 30/09/88	No	No	No	No.
<b>FIAT</b>	Self bill	No	S/R	From 01/10/88 to 31/08/92	Yes if VAT posted as output tax.	Yes if VAT posted as input tax	No	No
<b>FIAT</b>	Self bill	Yes	S/R	From 01/09/92 to 31/03/94	No	No	Yes if adjusted input tax.	Yes if adjusted output tax.
<b>FIAT</b>	Self bill	No	S/R	01/04/94 to 30/11/95	Yes if VAT posted as output tax.	Yes if VAT posted as input tax	No	No

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<b>FIAT</b>	Invoice	No	S/R	From 01/12/95	Yes, if VAT posted as output tax.	Yes if VAT posted as input tax	No	No
<b>Ford</b>	Invoice	Yes	S/R	From 1973 to 1985.	No	No	Yes if adjusted input tax.	Yes if adjusted output tax
<b>Ford</b>	Credit note	Yes	O/scope	01/04/1986 to 30/06/95	No	No	No	No
<b>Ford</b> (See Note (1) at end of table)	Credit Note	Yes	S/R	1/7/95	No	No	?No	No
<b>Honda</b>	Credit note	No	S/R	1981 - 04/1997	Yes, provided output tax was posted from the credit note.	Yes, provided input tax was posted from the credit note.	No	No
<b>Hyundai</b>	Credit note	No	S/R	July 1985 to 04/1997.	Yes, provided output tax was posted from the credit note.	Yes, provided input tax was posted from the credit note.	No	No
<b>Isuzu</b>	Credit note	No	S/R	1987 onwards	Yes, provided output tax was posted from the credit note.	Yes, provided input tax was posted from the credit note.	No	No
<b>Jaguar</b>	Self bill	No	S/R	1988 to 1997	Yes if VAT posted as output tax.	Yes if VAT posted as input tax	No	No

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Lancia	Self bill	No	S/R	From 01/06/89 to 31/08/92	Yes if VAT posted as output tax.	Yes if VAT posted as input tax	No	No
Lancia	Self bill	Yes	S/R	From 01/09/92 to 31/03/94	No	No	Yes if adjusted input tax.	Yes if adjusted output tax.
Lancia	Self bill	No	S/R	01/04/94 to 31/12/94	Yes if VAT posted as output tax.	Yes if VAT posted as input tax	No	No
Land Rover	Self Bill	?	O/Scope	05/1997	No	No	No	No
Mazda (See note (2) at end of table)	Credit note	?	S/R	1988 to 31/5/1990	Yes, where output tax posted and not funded on HP	Yes if posted as input tax and not funded on HP	No, where funded on HP	No, where funded on HP.
Mazda (See (2) note at end of table)	Self bill	No	S/R	1/6/1990 onwards	Yes if VAT posted as output tax.	Yes if VAT posted as input tax	No	No
Mitsubishi	Credit note	No	S/R	1987 to 1995	Yes, provided output tax was posted from the credit note.	Yes, provided input tax was posted from the credit note.	No	No

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<b>Mercedes</b>	Credit note	No	S/R	1991 to March 1996	Yes, provided output tax was posted from the credit note.	Yes, provided input tax was posted from the credit note.	No	No
<b>Mercedes</b>	Self bill	?	S/R	From 1/4/96	Yes if VAT posted as output tax.	Yes if VAT posted as input tax	No	No
<b>Nissan</b>	Credit note	?	S/R	1981 to 1986	Only if vehicles funded via manufacturer approved finance house and VAT on bonus posted as output tax.	Only if vehicles funded via manufacturer approved finance house and VAT on bonus posted as input tax.	If demo not funded by manufacturer approved finance house and input tax adjusted.	If demo not funded by manufacturer approved finance house and output tax adjusted.
<b>Nissan</b>	Invoice	No	S/R	01/01/1992 to 31/12/1992	Yes if invoice raised by dealer and VAT posted as output tax	Yes if invoice raised by dealer and posted as input tax	No	No
<b>Nissan</b> (See (3) note at end of table)	Invoice	No	S/R	01/01/1993 to 31/12/1994	Already adjusted in 1998?	Already adjusted in 1998?	No	No
<b>Nissan</b>	Credit note	Yes	N/A	From 1/1/1995 treated as front end discount	No	No	No	No

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<b>Peugeot</b>	Invoice.	Yes	S/R	From 1981 to 30/6/1995	No	No	Yes if invoice raised by dealer and VAT posted as input tax	Yes if invoice raised by dealer and posted as output tax
<b>Peugeot</b>	Self bill	Yes	O/scope	From 1/7/1995	No	No	No	No
<b>Porsche</b>				Treated as front end discount.	No	No	No	No
<b>Proton</b>	Self bill		S/R	04/1994	Yes if VAT posted as output tax.	Yes if VAT posted as input tax	No	No
<b>Renault</b>	Credit note	Yes?	S/R	From 1992	No	No	Yes, provided output tax was posted from the credit note. No claims possible for 'margin rebate qualifying payments' which were paid without VAT.	Yes, provided input tax was posted from the credit note. No claims possible for 'margin rebate qualifying payments' which were paid without VAT.



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<b>Rolls Royce/ Bentley</b>	Credit note	?	S/R	1986 onwards	Only if vehicles available for private use and funded via manufacturer approved finance house and VAT on bonus posted as output tax.	Only if vehicles available for private use and funded via manufacturer approved finance house and VAT on bonus posted as input tax.	Only if vehicles available for private use, if demo not funded by manufacturer approved finance house and input tax adjusted.	Only if vehicles available for private use, if demo not funded by manufacturer approved finance house and output tax adjusted.
<b>Rover (Austin, Rover, BL etc)</b>	Invoice	No	S/R	1976 to 1984	Yes if VAT posted as output tax	Yes if VAT posted as input tax	No	No
	self bill	No	S/R	1985 onwards	Yes if VAT posted as output tax.	Yes if VAT posted as input tax	No	No

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<b>Saab</b>	Invoice		S/R	1979	Yes, If VAT posted as output tax.	Yes, if VAT posted as input tax	No	No
<b>Saab</b>	Self bill	No	S/R	1980 to 1992	Yes if VAT posted as output tax.	Yes if VAT posted as input tax	No	No
<b>Saab</b>	Credit note		O/Scope	1993 to January 1996	No	No	No	No
<b>Saab</b>	Self bill	Yes	S/R	Feb 1996 onward	No	No	Yes if VAT posted as input tax	Yes if VAT posted as output tax.
<b>SEAT</b>	Invoice	?	S/R	1992	Only if vehicles funded via manufacturer approved finance house and VAT on bonus posted as output tax.	Only if vehicles funded via manufacturer approved finance house and VAT on bonus posted as input tax.	If demo not funded by manufacturer approved finance house and input tax adjusted.	If demo not funded by manufacturer approved finance house and output tax adjusted.

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<b>Subaru</b>	Credit note	No	S/R	1985 onwards	Yes, provided output tax was posted from the credit note.	Yes, provided input tax was posted from the credit note.	No	No
<b>Suzuki</b>	Self bill	No	S/R	1/1/94 onwards	Yes if VAT posted as output tax.	Yes if VAT posted as input tax	No	No
<b>Toyota</b>	Credit note	Yes	S/R	Until July 1997	No	No	Yes if adjusted input tax.	Yes if adjusted output tax.
<b>Vauxhall</b>	Credit Note	Yes	S/R	1973 to 1979	No	No	Yes if adjusted input tax.	Yes if adjusted input tax.
<b>Vauxhall</b>	Self bill	No	S/R	1/3/1979 to 1988	Yes if VAT posted as output tax.	Yes if VAT posted as input tax	No	No
<b>Vauxhall</b>	Credit note	Yes	S/R	1989 to 1996	No	No	Yes if adjusted input tax.	Yes if adjusted output tax
<b>Volvo</b>	Credit note	No	S/R	1987 onwards	Yes, provided output tax was posted from the credit note.	Yes, provided input tax was posted from the credit note.	No	No

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<b>VW</b>	Credit note	No	S/R	1974 to October 1987	Yes, provided output tax was posted from the credit note. (Accounting instruction was to affect output tax)	Yes, provided input tax was posted from the credit note.	No	No
<b>VW.</b> (See note (4) below table )	Credit note	No	O/scope	Nov 87 to July 96	No	No	No.	No
<b>VW</b>	Credit note	Yes	S/R	August 96 onwards	No.	No.	Yes if adjusted input tax.	Yes if adjusted output tax

Notes:

- 1) Most demo cars had the discount deducted on the initial invoice for the car. If not, then the dealer was issued with a credit note showing VAT. Due to the arrangements between the supplier and the dealer, the tax on the car was deductible. The VAT on the credit note correctly reduced the VAT paid for the car..
- 2) In respect of Mazda. Where the cars were funded on HP then the bonus adjusted on the invoice for the car from MCL Finance and no claim is now due.
- 3) In respect of Nissan. Most dealers advised Nissan of claim and payment was made to them by Nissan in early/mid 1998 for this period. Where this applies no further claim is now payable.
- 4) In respect of VW/Audi: VW issued some VAT only credit notes to dealers after March 1998, on request, for demonstrator cars sold from November 1994 to end of July 1996. Where the dealer requested and received these, then they will not be able to claim for these cars on a current claim.