

Conditions for payment basis

28. A registered person shall be eligible to account for tax on a payment basis if the Director General is satisfied that, due to the nature of business and the accounting system employed by the registered person, it would be appropriate for that person to account for the tax payable on a payment basis:

Provided that—

- (a)* he has furnished all returns which he is required to furnish under the Act and has paid to the Director General all such sums shown as due on those returns and on any assessment made under section 43 of the Act; and
- (b)* he has not, within three years preceding the date of his application for approval,—
 - (i)* been convicted of any offence under the Act, the Customs Act 1967
 - (ii)* accepted any offer of compound under the Act, the Customs Act 1967 or the Excise Act 1976; or
 - (iii)* had any approval granted to him being revoked under subsection 37(5) of the Act.