

Longer period adjustment

43. (1) Where a taxable person to whom a longer period is applicable has provisionally attributed an amount of input tax to taxable supplies in accordance with the method under regulation 39, and where all his exempt input tax in the longer period cannot be treated as attributable to taxable supplies under regulation 37 and except as the Director General may dispense with the following requirements to adjust, he shall—

- (a) determine for the longer period the amount of input tax which is attributable to taxable supplies according to the method under regulation 39 used in the taxable periods;
- (b) ascertain whether there has been, overall, an over-deduction or an under-deduction of input tax, having regard to the above mentioned determination and to the sum of the amounts of input tax, if any, which were deducted in the returns for the taxable periods; and
- (c) include any such amount of over-deduction or under-deduction in a return for the second taxable period next following the longer period, except where the Director General allows another return to be used for this purpose.

(2) Where a taxable person to whom a longer period is applicable has provisionally attributed an amount of input tax to taxable supplies in accordance with the method under regulation 39, and where all his exempt input tax in that longer period can be treated as attributable to taxable supplies under regulation 37, he shall—

- (a) calculate the difference between the total amount of his input tax for that longer period and the sum of the amounts of input tax deducted in the return for the taxable periods; and
- (b) include any such amount of under-deduction in a return for the second taxable period next following the longer period, except where the Director General allows another return to be used for this purpose.

(3) Any person who contravenes this regulation commits an offence.