

### **VAT Changes 1<sup>st</sup> January 2010**

In order to ensure that you are invoicing correctly with the new VAT rate of 17.5% for work done after 1<sup>st</sup> January 2010, 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 1<sup>st</sup> January in the usual way.
  
- 2) From the main menu, go to Misc, Preferences, Billing Preferences, VAT Rates.  
Change the rate for "S" from 15 to 17.5  
Change the rate for "X" from 17.5 to 15  
Then press the Enter key.  
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 1<sup>st</sup> January and the new vat rate of 17.5% 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 15% you will need to select the VAT rate as "X". For newer invoices where you were charged at 17.5%, select VAT rate as "S".