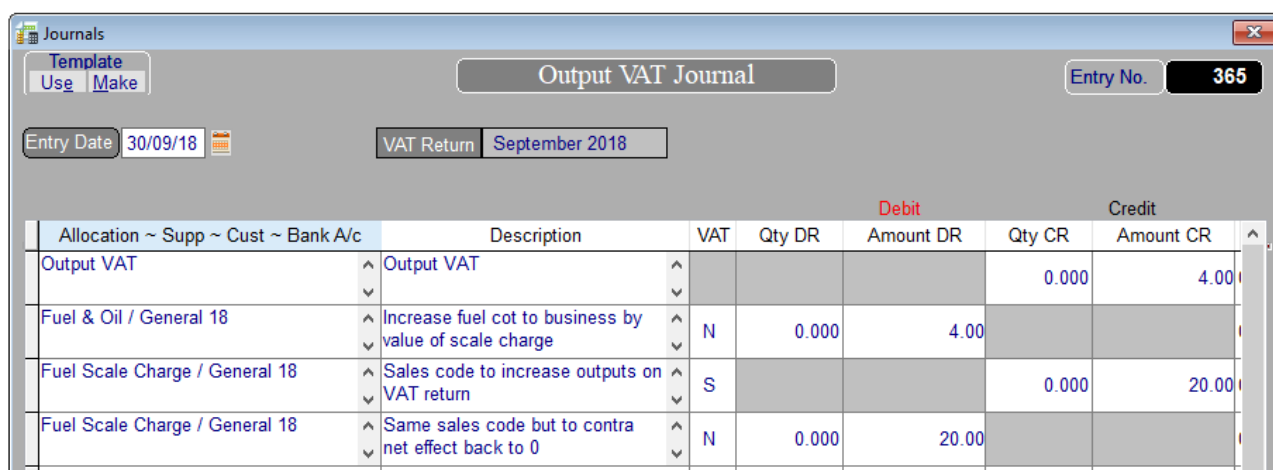


## Fuel Scale Charge

The VAT Fuel Scale Charge system is a simplified way of taxing the private use of car fuel. Therefore, if you use your vehicle for business and private motoring, you can claim all the VAT on road fuel as long as you apply the appropriate fuel scale charge.

To enter a VAT fuel scale charge journal select Data Entry > Journals > **Output VAT Journal**. The example below ensures all boxes in the VAT return are updated correctly. However, the exact method used may vary depending on your business and book-keeping procedures. Please consult HMRC for the latest scale charges.



Allocation ~ Supp ~ Cust ~ Bank A/c	Description	VAT	Qty DR	Amount DR	Qty CR	Amount CR
Output VAT	Output VAT				0.000	4.00
Fuel & Oil / General 18	Increase fuel cot to business by value of scale charge	N	0.000	4.00		
Fuel Scale Charge / General 18	Sales code to increase outputs on VAT return	S			0.000	20.00
Fuel Scale Charge / General 18	Same sales code but to contra net effect back to 0	N	0.000	20.00		

- Increase (CR) Output VAT by the VAT scale charge to add the VAT to Box 1.
  - Decrease (DR) sales code by the net value of the scale charge using 'N VAT status' to return the value of the sales code to 0 without affecting your VAT return.
  - Increase (CR) a sales code by the net value of the scale charge using 'S VAT status' to show the value of the output in Box 6.
  - Increase (DR) the original fuel code (normally in overheads) by the value of Output VAT using 'N VAT status' to increase your fuel expenses without affecting the VAT return.
- Create a template to help with future adjustments – remember to change the date.



## Effect on VAT Return of Fuel Scale Charge Journal

VAT due in this period on sales and other outputs	<b>1</b>	4.00
VAT due in this period on acquisitions from other EC Member States	<b>2</b>	0.00
Total VAT due (the sum of boxes 1 and 2)	<b>3</b>	4.00
VAT reclaimed in this period on purchases and other inputs (including acquisitions from the EC)	<b>4</b>	0.00
<b>Net VAT to be paid to Customs or reclaimed by you (Difference between boxes 3 and 4)</b>	<b>5</b>	4.00
Total value of sales and all other outputs excluding any VAT. Include your box 8 figure	<b>6</b>	20.00
Total value of purchases and all other inputs excluding any VAT. Include your box 9 figure	<b>7</b>	0.00

## Extract of VAT Audit Details showing Journal

<b>VAT Return Audit</b>										
Year Start: 1 April										
VAT Period End Date: 30/09/18										
Entry No.	Entry Type	Heading Code	VAT Type	Supplier/ Customer	Entry Date	Non VAT Amount	Value Of Outputs	Value Of Inputs	VAT Sales	Purchase
365 Journal		Output VAT A/c			30/09/18				4.00	
365 Journal		Fuel & Oil	N		30/09/18	4.00				
365 Journal		Fuel Scale Charge	S		30/09/18		20.00			
365 Journal		Fuel Scale Charge	N		30/09/18	-20.00				
<b>Total</b>						-16.00		0.00	4.00	0.00
							20.00			

For full details refer to HMRC: <https://www.gov.uk/fuel-scale-charge>