HMRC - VATDSAG03150 - Is There A Single Entity?

A business is a single entity if the overall day-to-day control and management of all the various activities being carried on rests in the hands of one person. That person could be

a legal person (for example, a body corporate)

a natural person (for example, a sole proprietor), or

a group of persons jointly (for example, a partnership or association of some sort).

In most cases, the question of whether there is a single legal entity will be clear. For example

a sole proprietor claiming that his two shops are separate businesses

a company claiming that its wholesale and retail arms are separate businesses.

An alternative scenario could be a sole proprietor, making taxable supplies in his own name, who claims to be in partnership with another individual (probably a sleeping partner) when he makes a different type of taxable supply. In a scenario like this, you may be able to prove that the partnership is fictitious and that the sole proprietor is actually making all the supplies.

(This content has been withheld because of exemptions in the Freedom of Information Act 2000) VTAXPER35000 - Issues to consider: agency and disbursements(This content has been withheld because of exemptions in the Freedom of Information Act 2000)

Previous page

Next page