

## **VATR 74**

### **FACTS**

J Ltd is a VAT registered person. It acquired buildings between the years 2002 and 2013 and it took credit for input tax suffered on the acquisitions. In July 2016, that is before the end of the nineteenth year following the years in which the buildings were acquired, J Ltd amalgamated with and into K Ltd and all assets and liabilities of J Ltd were transferred to K Ltd. K Ltd is also a VAT registered person.

### **POINT AT ISSUE**

Whether sections 63(3) and 21(7A) of the VAT Act apply on the transfer of buildings following the amalgamation of J Ltd with and into K Ltd?

### **RULING**

Based on the aforesaid facts, it is confirmed that sections 63(3) and 21(7A) of the VAT Act apply on the transfer of the buildings following the amalgamation of J Ltd with and into K Ltd.