01 / TWO TESTS, NOT ONE

Watch turnover before you reach £90,000.

For UK-established businesses. The compulsory tests look at taxable supplies, not profit or the bank balance.

Test 1: look back at each month end

Add the value of your VAT-taxable turnover for the last **12 months**, or the shorter period you have been trading. If it is **more than £90,000**, you normally have to register.

EXAMPLE: SEPTEMBER CROSSING

Your total reaches £91,000 at **30 September 2026**.
Apply by **30 October 2026**.
The usual VAT start date is **1 November 2026**.

This is a moving window. Each month, add the newest month and remove the same month from the previous year. Do not restart at 1 January or your accounts year end.

Exactly £90,000 does not exceed this test. Our practical advice is to tell SBX well before that point so pricing and registration can be planned.

The deadline example assumes only the backward-looking test triggers registration and no special rule or HMRC-approved exception changes it.

Test 2: look ahead 30 days

At any time, consider whether you expect **more than £90,000 of taxable supplies in the next 30 days alone**. It is not simply a forecast for the whole next year.

EXAMPLE: A LARGE SHORT-TERM CONTRACT

On **10 October**, you reasonably expect £100,000 of taxable supplies in the next 30 days alone. VAT registration starts on **10 October**, not when the customer finally pays.

Apply within that 30-day period. Tell SBX immediately about a major contract or advance payment so we can check the supply and VAT timing.

REGISTRATION IS NOT JUST FOR COMPANIES

A sole trader can also need VAT registration. One person’s taxable businesses are normally combined, even when they use different trading names.

Overseas businesses, taking over an existing trade or artificial business splitting need a separate check. A new company does not always get a fresh threshold.

CHECK THE RULES When to register for VAT · One person, several trades · Transferring an existing business

02 / BUILD THE RIGHT TOTAL

Count the sale, not just the payout.

Keep enough detail to identify excluded income and special transactions before the monthly total is used.

What normally goes in?

Amount	For the turnover check
UK sales at 20%, 5% or 0%	Include. Zero-rated does not mean ignored.
Construction reverse-charge sales	Include relevant taxable sales before CIS deductions.
Customer sales paid through a platform	Use the sale value, not the payout after fees.
Exempt sales	Normally exclude, subject to reviewing mixed activities.
Services treated as supplied outside the UK	Normally exclude; check the place-of-supply rules.
Loans and your own funding	Not sales.
Sale of an ordinary used business asset	Usually excluded as a capital asset. Property can differ.

Use the value excluding VAT where applicable. Review genuine refunds and credit notes. The date a supply counts can differ from its bank-receipt date; let SBX agree the reporting basis.

A rolling total, worked through

At 30 September 2026	Amount
12-month total to 31 August 2026	£85,000
Remove September 2025	(£4,000)
Add September 2026	£10,000
New 12-month total	**£91,000**

A PURCHASE CAN ALSO COUNT

Relevant overseas services can count under the reverse-charge registration rules. **£80,000 UK taxable sales + £12,000 relevant overseas service purchases = £92,000** for the relevant check.

Plan the price now

If a standard-rated price remains fixed at £120 after registration, £20 is VAT and £100 is your sale. If you can agree £120 plus VAT, the customer pays £144.

VAT applies to relevant supplies from the start date, not only the amount above £90,000. A pending number does not delay that liability.

CHECK THE RULES VAT registration: Notice 700/1 · Capital-asset turnover exception · Overseas services: Notice 741A · VAT rates

03 / YOUR MONTH-END TRACKER

One rolling check, plus a separate forward look.

A manual worksheet for your private records. Use sales reports, not only bank deposits.

Business / legal owner: [enter] **Month-end checked:** [enter] **12-month window:** [enter]

Monthly taxable sales

Month	Sales	Month	Sales
1. [date]		7. [date]	
2. [date]		8. [date]	
3. [date]		9. [date]	
4. [date]		10. [date]	
5. [date]		11. [date]	
6. [date]		12. [date]	

Before 12 months of trading, use the months available. Each new month replaces the oldest month; do not keep adding indefinitely.

Early warning: agree a warning level with SBX before £90,000. The monthly sheet does not replace the separate 30-day test.

Backward-looking total

Calculation	Amount
Taxable sales in the window	
Relevant overseas services / adjustments	
Total for the check	

More than £90,000? [yes / no / ask SBX]

Separate forward-looking check

Date expectation arose: [enter]
Next 30 days' taxable supplies: £[enter]
More than £90,000 in that period? [enter]
Contract / timing evidence: [enter]

An exception for a temporary breach needs HMRC approval. Below the threshold, voluntary registration may still suit the business; ask SBX to compare.

Complete a private copy and send it through your agreed SBX upload channel. Do not put completed client records in the shared resource library.

Contact our office or your account manager. info@sbxaccountants.com | 020 7046 1730

CHECK THE RULES When to register for VAT · VAT registration: Notice 700/1 · Overseas services: Notice 741A