

(4) The Commissioner-General shall not cancel the registration of a registered person if the Commissioner-General has reasonable grounds to believe that, at any time in the following twelve months, the person will recommence making taxable supplies of goods or services or, in the case of an application under subsection (2), will exceed the threshold specified for required registration under section 172.

(5) The Commissioner-General may also cancel the registration of a person if he is satisfied that—

- (a) the person has not kept proper business records;
- (b) the person has not filed regular and reliable VAT returns;
- (c) the person has not complied with its obligations under other Revenue laws, including the customs laws, and there are reasonable grounds to believe that the person will not keep proper records or file regular and reliable returns; or
- (d) the person obtained registration by providing false or misleading information.

(6) A person whose registration is cancelled under subsection (3) or (5A) shall be treated as having made a taxable supply of any goods or other property (including raw materials) on hand at the time the registration is cancelled.

(7) The taxable supply referred to in sub-section (6) is treated as having been made —

- (a) immediately before cancellation of the person's registration; and
- (b) for a value equal to the fair market value of the goods or other property (including raw materials) at the time the person's registration is cancelled.

(8) Sub-section (6) does not apply to any property in respect of which the taxpayer was not allowed a full input tax credit on its acquisition, to the extent to which an input tax credit was disallowed.

(9) The obligations and liabilities of a person under this Chapter, including the furnishing of VAT returns, in respect of anything done or omitted to be done while the person was registered are not affected by cancellation of the person's registration.

(10) Where registration is cancelled, the person shall return to the Commissioner-General, the VAT certificate and the Commissioner-General shall remove the personal particulars of that person from the register of registered persons.

PART IX - CALCULATION OF VAT PAYABLE

175. Calculation of VAT payable for tax period

(1) The VAT payable in respect of taxable supplies by a registered person for a tax period is the difference between the output tax for the tax period and the input tax credit allowed to the registered person for the tax period.

(2) If, for any tax period, the input tax exceeds the output tax, section 191 applies to the excess.

176. Input tax credit

(1) A registered person is allowed an input tax credit for the VAT payable in respect of a taxable supply of goods or services to, or a taxable import of goods by, the person to the extent to which the goods or services are for use in the person's economic activity.

(2) An input tax credit is allowed at the time the goods or services are supplied to, or imported by, the registered person.

(3) An input tax credit allowed under subsection (1) may not be claimed by a registered person until the tax period in which the person has —

- (a) a VAT invoice for the taxable supply to which the credit relates; or
- (b) a bill of entry or other document prescribed under the Customs laws for the taxable import to which the credit relates.

(4) VAT payable by the recipient of a taxable supply of imported services is both output tax and input tax of the recipient but the recipient is not allowed an input tax credit for that supply unless the recipient has also accounted for the output tax.

(5) No input tax credit is allowed for—

- (a) an acquisition of goods or services, to the extent