

SCHEDULES

SCHEDULE 3

VALUE ADDED TAX: ABOLITION OF FISCAL FRONTIERS ETC.

PART I

AMENDMENTS OF THE VALUE ADDED TAX ACT 1983 (C. 55)

Matters to be treated as supplies of goods or services

- 60 (1) In Schedule 2 (matters to be treated as supplies of goods or services), after paragraph 5 there shall be inserted the following paragraph—
- “5A (1) Where, in a case not falling within paragraph 5(1) above, goods forming part of the assets of any business—
- (a) are removed from any member State by or under the directions of the person carrying on the business; and
 - (b) are so removed in the course or furtherance of that business for the purpose of being taken to a place in a member State other than that from which they are removed,
- then, whether or not the removal is or is connected with a transaction for a consideration, that is a supply of goods by that person.
- (2) Sub-paragraph (1) above does not apply—
- (a) to the removal of goods from any member State in the course of their removal from one part of that member State to another part of the same member State; or
 - (b) to goods which have been removed from a place outside the member States for entry into the territory of the Community and are removed from a member State before the time when any Community customs debt in respect of any Community customs duty on their entry into that territory would be incurred.”
- (2) In paragraph 7(2) of that Schedule (deemed supply where person ceases to be a taxable person)—
- (a) in paragraph (a), for the words from “in respect of” to the end of the paragraph there shall be substituted “has been allowed to him in respect of the supply of the goods, their acquisition from another member State or their importation from a place outside the member States”; and
 - (b) in paragraph (b), for “were not acquired by him” there shall be substituted “did not become his”.