

*Status: Point in time view as at 01/01/1993. This version of this provision has been superseded.*

*Changes to legislation: There are currently no known outstanding effects for the Value Added Tax Act 1983 (repealed 1.9.1994), Paragraph 1. (See end of Document for details)*

## SCHEDULES

### SCHEDULE 4

#### VALUATION—SPECIAL CASES

- 1 (1) Where—
- (a) the value of a supply made by a taxable person for a consideration in money is (apart from this paragraph) less than its open market value, and
  - (b) the person making the supply and the person to whom it is made are connected, and
  - (c) [<sup>F1</sup>if the supply is a taxable supply,]the person to whom the supply is made is not entitled under sections 14 and 15 of this Act to credit for all the tax on the supply,
- the Commissioners may direct that the value of the supply shall be taken to be its open market value.
- (2) A direction under this paragraph shall be given by notice in writing to the person making the supply, but no direction may be given more than three years after the time of the supply.
- (3) A direction given to a person under this paragraph in respect of a supply made by him may include a direction that the value of any supply—
- (a) which is made by him after the giving of the notice, or after such later date as may be specified in the notice, and
  - (b) as to which the conditions in paragraphs (a) to (c) of sub-paragraph (1) above are satisfied,
- shall be taken to be its open market value.
- (4) For the purposes of this paragraph any question whether a person is connected with another shall be determined in accordance with section 533 of the <sup>M1</sup>Income and Corporation Taxes Act 1970.
- (5) This paragraph does not apply to a supply to which paragraph 10 below applies.

#### Textual Amendments

**F1** Words inserted by [Finance Act 1987 \(c. 16, SIF 40:2\)](#), [s. 17\(1\)\(2\)](#)

#### Marginal Citations

**M1** 1970 c. 10.

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