



# Value Added Tax Act 1994

## 1994 CHAPTER 23

### PART I

#### THE CHARGE TO TAX

##### *Imposition and rate of VAT*

## 2 Rate of VAT.

- (1) Subject to the following provisions [<sup>F1</sup>and to the provisions of section 29A] of this section <sup>F2</sup>. . . , VAT shall be charged at the rate of 17.5 per cent. and shall be charged—
- (a) on the supply of goods or services, by reference to the value of the supply as determined under this Act; and
  - (b) on the acquisition of goods from another member State, by reference to the value of the acquisition as determined under this Act; and
  - (c) on the importation of goods from a place outside the member States, by reference to the value of the goods as determined under this Act.

<sup>F3</sup>(1A) . . . . .

<sup>F3</sup>(1B) . . . . .

<sup>F4</sup>(1C) . . . . .

- (2) The Treasury may by order increase or decrease the rate of VAT for the time being in force [<sup>F5</sup>under this section] by such percentage thereof not exceeding 25 per cent. as may be specified in the order, but any such order [<sup>F6</sup>that has not previously expired or been revoked] shall cease to be in force at the expiration of a period of one year from the date on which it takes effect, unless continued in force by a further order under this subsection.

- (3) In relation to an order made under subsection (2) above to continue, vary or replace a previous order, the reference in that subsection to the rate for the time being in force [<sup>F5</sup>under this section] is a reference to the rate which would be in force if no order under that subsection had been made.

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*Status: Point in time view as at 21/07/2009. This version of this provision has been superseded.*

*Changes to legislation: There are currently no known outstanding effects for the Value Added Tax Act 1994, Section 2. (See end of Document for details)*

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#### **Textual Amendments**

- F1** Words in s. 2(1) inserted (11.5.2001 with effect as mentioned in s. 99(7)(a) of the amending Act) by 2001 c. 9, s. 99(2)
- F2** Words in s. 2(1) omitted (1.5.1995 with application as mentioned in s. 21(6) of the amending Act) by virtue of 1995 c. 4, s. 21(2)
- F3** S. 2(1A)(1B) repealed (11.5.2001 with effect as mentioned in s. 99(7) of the amending Act) by 2001 c. 9, ss. 99(3), 110, Sch. 33 Pt. 3(1) Note 2
- F4** S. 2(1C) repealed (1.11.2001) by 2001 c. 9, ss. 99(3), 110, Sch. 33 Pt. 3(1) Note 1
- F5** Words in s. 2(2)(3) inserted (11.5.2001 with effect as mentioned in s. 99(9)(a) of the amending Act) by 2001 c. 9, s. 99, Sch. 31 para. 2
- F6** Words in s. 2(2) inserted (with effect in accordance with Sch. 3 para. 11 of the amending Act) by Finance Act 2009 (c. 10), Sch. 3 para. 25(2)

#### **Modifications etc. (not altering text)**

- C1** S. 2(1) modified (1.12.2008) by The Value Added Tax (Change of Rate) Order 2008 (S.I. 2008/3020), arts. 1, 3

**Status:**

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**Changes to legislation:**

There are currently no known outstanding effects for the Value Added Tax Act 1994, Section 2.