



# Finance Act 2014

## 2014 CHAPTER 26

### PART 2

#### EXCISE DUTIES AND OTHER TAXES

##### *Value added tax*

#### **108 VAT: prompt payment discounts**

- (1) In Part 2 of Schedule 6 to VATA 1994 (valuation: special cases), for paragraph 4 (prompt payment discounts), substitute—

- “4 (1) Sub-paragraph (2) applies where—
- (a) goods or services are supplied for a consideration which is a price in money,
  - (b) the terms on which those goods or services are so supplied allow a discount for prompt payment of that price,
  - (c) payment of that price is not made by instalments, and
  - (d) payment of that price is made in accordance with those terms so that the discount is realised in relation to that payment.

- (2) For the purposes of section 19 (value of supply of goods or services) the consideration is the discounted price paid.”

- (2) The amendment made by this section has effect in relation to relevant supplies made on or after 1 May 2014.
- (3) The Treasury may by order made by statutory instrument provide that the amendment has effect in relation to supplies of a description specified in the order made on or after a date so specified (being a date before 1 April 2015).
- (4) Subject to that, the amendment has effect in relation to supplies made on or after 1 April 2015.

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**Changes to legislation:** Finance Act 2014, Section 108 is up to date with all changes known to be in force on or before 26 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) [View outstanding changes](#)

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(5) In this section—

“relevant supply” means a supply of radio or television broadcasting services or telecommunication services made by a taxable person who is not required by or under any enactment to provide a VAT invoice to the person supplied;

“telecommunication services” has the same meaning as in paragraph 8(2) of Schedule 4A to VATA 1994.

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**Changes and effects yet to be applied to the whole Act associated Parts and Chapters:**

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- Sch. 31 para. 2(3)(b) inserted by [2017 c. 32 Sch. 14 para. 45\(2\)\(a\)\(iii\)](#)
- Sch. 31 para. 2(4A) inserted by [2017 c. 32 Sch. 14 para. 45\(2\)\(c\)](#)
- Sch. 31 para. 3(1A) inserted by [2017 c. 32 Sch. 14 para. 45\(3\)\(b\)](#)
- Sch. 31 para. 5(b) inserted by [2017 c. 32 Sch. 14 para. 45\(4\)\(c\)](#)
- Sch. 31 para. 2(3)(a) words inserted by [2017 c. 32 Sch. 14 para. 45\(2\)\(a\)\(ii\)](#)
- Sch. 31 para. 5(a) words inserted by [2017 c. 32 Sch. 14 para. 45\(4\)\(b\)](#)
- Sch. 31 para. 2(3)(a) words renumbered as Sch. 31 para. 2(3)(a) by [2017 c. 32 Sch. 14 para. 45\(2\)\(a\)\(i\)](#)
- Sch. 31 para. 5(a) words renumbered as Sch. 31 para. 5(a) by [2017 c. 32 Sch. 14 para. 45\(4\)\(a\)](#)
- Sch. 32 para. 1(2)(b) inserted by [2017 c. 32 Sch. 14 para. 46\(2\)\(a\)\(iii\)](#)
- Sch. 32 para. 1(3A) inserted by [2017 c. 32 Sch. 14 para. 46\(2\)\(c\)](#)
- Sch. 32 para. 1(2)(a) words inserted by [2017 c. 32 Sch. 14 para. 46\(2\)\(a\)\(ii\)](#)
- Sch. 32 para. 1(2)(a) words renumbered as Sch. 32 para. 1(2)(a) by [2017 c. 32 Sch. 14 para. 46\(2\)\(a\)\(i\)](#)