

1987 No. 860

VALUE ADDED TAX

The Value Added Tax (Finance) Order 1987

Made - - - - - *11th May 1987*

*Laid before the House of
Commons* *12th May 1987*

Coming into force *13th May 1987*

The Treasury, in exercise of the powers conferred on them by section 17(2) of the Value Added Tax Act 1983(a) and of all other powers enabling them in that behalf, hereby make the following Order:

1. This Order may be cited as the Value Added Tax (Finance) Order 1987 and shall come into force on 13th May 1987.

2. Group 5 of Schedule 6 to the Value Added Tax Act 1983 shall be varied by deleting item 6 and by substituting the following:-

“6. The issue, transfer or receipt of, or any dealing with, any security or secondary security being:-

- (a) shares, stock, bonds, notes (other than promissory notes), debentures, debenture stock or shares in an oil royalty; or
- (b) any document relating to money, in any currency, which has been deposited with the issuer or some other person, being a document which recognises an obligation to pay a stated amount to bearer or to order, with or without interest, and being a document by the delivery of which, with or without endorsement, the right to receive that stated amount, with or without interest, is transferable; or
- (c) any bill, note or other obligation of the Treasury or of a Government in any part of the world, being a document by the delivery of which, with or without endorsement, title is transferable, and not being an obligation which is or has been legal tender in any part of the world; or
- (d) any letter of allotment or rights, any warrant conferring an option to acquire a security included in this item, any renounceable or scrip certificates, rights coupons, coupons representing dividends or interest on such a security, bond mandates or other documents conferring or containing evidence of title to or rights in respect of such a security; or
- (e) units or other documents conferring rights under any trust established for the purpose, or having the effect of providing, for persons having funds available for investment, facilities for the participation by them as beneficiaries under the trust, in any profits or income arising from the acquisition, holding, management or disposal of any property whatsoever.”

*Peter Lloyd
Mark Lennox-Boyd*

11th May 1987

Two of the Lords Commissioners of Her Majesty's Treasury

EXPLANATORY NOTE

(This note is not part of the Order.)

This Order is concerned with the value added tax exemption for securities and secondary securities in item 6, Group 5 of Schedule 6 to the Value Added Tax Act 1983. It deletes the reference in that item to section 42 of the Exchange Control Act 1947 (c. 14) and substitutes a full definition of securities and secondary securities. The Order does not alter the coverage of the exemption.

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