
EXPLANATORY NOTE

(This note is not part of the Regulations)

Regulations 3 to 5 of these Regulations, which come into force on 1st August 1989, further amend various provisions of the Value Added Tax (General) Regulations 1985 (“the principal Regulations”).

Regulations 3 and 4 amend the principal Regulations to exclude, where appropriate, the value of any self-supply made by a taxable person under or by virtue of any provision of the Value Added Tax Act 1983, and the input tax on such a self-supply, from any calculation to determine the amount of any deductible input tax.

Regulation 5 introduces a new regulation 30B which prevents the input tax on any self-supply by a taxable person from being directly attributed to that supply.

Regulation 6 modifies the application of any method approved by the Commissioners under regulation 30(5) of the principal Regulations which a taxable person may have been allowed to use in determining the deductible proportion of input tax charged on importations by, and supplies to, him. In determining the amount of such input tax which he may provisionally attribute to the making of taxable supplies he must exclude the value of, and any tax on, any self-supply.