
STATUTORY INSTRUMENTS

1992 No. 3111

VALUE ADDED TAX

The Value Added Tax (Removal of Goods) Order 1992

Made - - - - 9th December 1992
Laid before the House of
Commons - - - - 11th December 1992
Coming into force - - 1st January 1993

The Treasury, in exercise of the powers conferred on them by section 3(3) of the Value Added Tax Act 1983(1) 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 (Removal of Goods) Order 1992 and shall come into force on 1st January 1993.

2. In this Order—

“the Act” means the Value Added Tax Act 1983;

“the member State of arrival” means the member State to which the goods are removed;

“the member State of dispatch” means the member State from which the goods are removed;

“the owner” means the person who is carrying on the business of which the goods form part of the assets;

“registered” means either registered under the Act or registered under the provisions of the law of another member State corresponding thereto;

“temporary importation relief” means relief, other than partial relief, from payment of any duty incurred on the entry of goods into the territory of the Community which is afforded by virtue of any of the Community Regulations specified in the Schedule to this Order.

3. For the purposes of this Order, a person is treated as being established in a member State if he has there a business establishment or some other fixed establishment or carries on a business there through a branch or agency.

4. Subject to article 5 below, paragraph 5A of Schedule 2 to the Act(2) shall not apply to the following removals of goods from a member State to a place in any other member State—

(1) 1983 c. 55; section 3(3) was amended by section 14(2) of and paragraph 4(1) of Schedule 3 to the Finance (No. 2) Act 1992 (c. 48).
(2) Paragraph 5A of Schedule 2 is to be inserted by section 14(2) of and paragraph 60(1) of Schedule 3 to the Finance (No. 2) Act 1992 on a day appointed in accordance with section 14(3) of that Act.

- (a) where the supply of the goods would be treated as having been made in a member State other than the member State of dispatch by virtue of section 6(2A), (2B) or (2C) of the Act⁽³⁾;
- (b) where the supply of the goods would be treated as having been made in the member State of dispatch by virtue of the Value Added Tax (Place of Supply of Goods) Order 1992;
- (c) where the goods have been removed by or under the directions of the owner for the purpose of—
 - (i) his delivering them to a person to whom he is supplying those goods; or
 - (ii) his taking possession of them from a person who is supplying those goods to him, and that supply is or will be zero-rated by virtue of section 16(6) or (7) of the Act⁽⁴⁾;
- (d) where—
 - (i) the owner is registered in the member State of dispatch and is not registered in the member State of arrival;
 - (ii) the goods have been removed for the purpose of delivering them to a person other than the owner who is to produce goods by applying a treatment or process to the goods removed; and
 - (iii) the owner intends that the goods produced will be returned to him by their removal to the member State of dispatch upon completion of the treatment or process;
- (e) where—
 - (i) the goods have been removed for the purpose of delivering them to a person other than the owner who is to value or carry out any work on the goods; and
 - (ii) the supply made by the person to whom the goods have been delivered is or will be a supply of services treated as having been made in the member State of arrival;
- (f) where—
 - (i) the owner is established in the member State of dispatch and is not established in the member State of arrival;
 - (ii) they are removed for the sole purpose of their being used by the owner in the course of a supply of services to be made by him;
 - (iii) at the time of their removal there exists a legally binding obligation to make that supply of services; and
 - (iv) the owner intends to remove them to the member State of dispatch upon his ceasing to use them in the course of making the supply;
- (g) where—
 - (i) temporary importation relief would have been afforded had the goods been imported from a place outside the member States; and
 - (ii) the owner intends to export the goods to a place outside the member States or remove them to a member State other than the member State of arrival, in either case, not later than 2 years after the day upon which the goods were removed;
- (h) where the goods are removed in accordance with an intention described in paragraph (d) (iii), (f)(iv) or (g)(ii) above;

(3) Section 6(2A) to (2C) are to be inserted by section 14(2) of and paragraph 7(3) of Schedule 3 to the Finance (No. 2) Act 1992 on a day appointed in accordance with section 14(3) of that Act.

(4) Section 16(6) and (7) are to be amended by section 14(2) of and paragraph 17(2) and (3) of Schedule 3 to the Finance (No. 2) Act 1992 on a day appointed in accordance with section 14(3) of that Act.

- (i) where goods which have been removed under the conditions described in paragraph (e) above are removed to the member State of dispatch when the valuation or work has been completed.

5. In the case of a removal falling within paragraph (d), (f) or (g) above, it shall be a condition of paragraph 5A of Schedule 2 to the Act not applying that the relevant intention of the owner is fulfilled.

9th December 1992

Irvine Patnick
Tim Boswell
Two of the Lords Commissioners of Her
Majesty's Treasury

Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

SCHEDULE

Article 2

COMMUNITY LEGISLATION RELATING TO TEMPORARY IMPORTATION RELIEF

Council Regulation (EEC) No. 3599/82(5)

Council Regulation (EEC) No. 1855/89(6)

Council Regulation (EEC) No. 3312/89(7)

Commission Regulation (EEC) No. 2249/91(8)

EXPLANATORY NOTE

(This note is not part of the Order)

This Order, which comes into force on 1st January 1993, is part of the package of new measures necessary as a result of the abolition of fiscal frontiers between member States of the Community from that date.

It sets out various circumstances in which movements of goods between member States will not be treated as a supply under paragraph 5A of Schedule 2 to the Value Added Tax Act 1983.

The Order, in conjunction with the Value Added Tax (Removal of Goods) (Accounting) Regulations 1992, partially implements Article 28a(5)(b) of EC Council Directive 77/388/EEC (OJ L145, 13.6.77, p.1), as amended by EC Council Directive 91/680/EEC (OJ L376, 31.12.91, p.1).

(5) OJ No. L376, 31.12.82, p.1.

(6) OJ No. L186, 30. 6.89, p.8.

(7) OJ No. L321, 4.11.89, p.5.

(8) OJ No. L204, 27.7.91, p.31.