
STATUTORY INSTRUMENTS

1992 No. 3122

The Value Added Tax (Cars) Order 1992

Treatment of transactions

4.—(1) Each of the following descriptions of transactions shall be treated as neither a supply of goods nor a supply of services—

- (a) the disposal of a used motor car by a person who repossessed it under the terms of a finance agreement, where the motor car is in the same condition as it was in when it was repossessed;
- (b) the disposal of a used motor car by an insurer who has taken it in the settlement of a claim under a policy of insurance, where the motor car is disposed of in the same condition as it was in when it was so taken;
- (c) the disposal of a motor car for no consideration where, on a previous supply of the motor car or on its acquisition from another member State or on its importation, tax charged thereon had been excluded from any credit by virtue of an order made under section 14(10) of the Act.

(2) Nothing in paragraph (1)(a) or (b) above shall be construed as meaning that a transaction is not a supply for the purposes of section 8A(1) (a) of the Act⁽¹⁾.

(1) Section 8A was inserted by the Finance (No. 2) Act 1992 (c. 48), section 14 and Schedule 3 paragraph 10.