
STATUTORY INSTRUMENTS

1992 No. 3129

The Value Added Tax (Special Provisions) 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 any of the goods described in paragraph (3) below by a person who repossessed them under the terms of a finance agreement;
- (b) the disposal of any of the goods described in paragraph (3) below by an insurer who has taken possession of them in the settlement of a claim under a policy of insurance;
- (c) the disposal of a boat by a mortgagee after he has taken possession thereof under the terms of a marine mortgage;
- (d) the disposal of an aircraft by a mortgagee after he has taken possession thereof under the terms of an aircraft mortgage;

if, in each case, the goods so disposed of are in the same condition at the time of disposal as they were when they were repossessed or taken into possession, as the case may be, and if a supply of them in the United Kingdom by the person from whom in each case they were obtained would not have been chargeable with tax, or would have been chargeable with tax on less than the full value of such supply.

(2) Paragraph (1) of this article shall not apply to reimported goods which were previously exported from the United Kingdom or the Isle of Man free of tax chargeable under the Act or value added tax chargeable under Part I of the Manx Act by reason of the zero-rating provisions of the Act or the Manx Act or regulations made thereunder, or to imported goods which have not borne tax chargeable under either of those Acts in the United Kingdom or the Isle of Man.

(3) The goods referred to in paragraphs (a) and (b) of paragraph (1) above are as follows:

- (a) works of art, antiques and collectors' pieces;
- (b) motor cycles;
- (c) caravans;
- (d) boats and outboard motors;
- (e) electronic organs;
- (f) aircraft;
- (g) firearms.