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STATUTORY INSTRUMENTS

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**1995 No. 1667**

**The Value Added Tax (Cars) (Amendment) (No. 2) Order 1995**

5. For article 5 there shall be substituted the following—

“(1) This article applies to any motor car—

- (a) which has been produced by a taxable person otherwise than by the conversion of a vehicle obtained by him;
- (b) which has been produced by the taxable person by the conversion of another vehicle (whether a motor car or not) and in relation to which the condition in paragraph (2) below is satisfied; or
- (c) which was supplied to, or acquired from another member State or imported by, a taxable person and in relation to which the condition in paragraph (2) below is satisfied,

but does not apply to any motor car to which article 6 below applies.

(2) The condition referred to in paragraph (1)(b) and (c) above is that the tax on the supply to, or acquisition or importation by, the taxable person of the motor car or the vehicle from which it was converted, as the case may be, was not wholly excluded from credit under section 25 of the Act.

(3) Where a motor car to which this article applies—

- (a) has not been supplied by the taxable person in the course or furtherance of a business carried on by him; and
- (b) is used by him such that it is not used exclusively for the purposes of a business carried on by him,

it shall be treated for the purposes of the Act as both supplied to him for the purposes of a business carried on by him and supplied by him for the purposes of that business.”.