
STATUTORY INSTRUMENTS

1997 No. 1616

VALUE ADDED TAX

The Value Added Tax (Special Provisions) (Amendment) Order 1997

<i>Made</i>	- - - -	<i>2nd July 1997</i>
<i>Laid before the House of Commons</i>	- - - -	<i>2nd July 1997</i>
<i>Coming into force</i>	- -	<i>3rd July 1997</i>

The Treasury, in exercise of the powers conferred on them by section 50A of the Value Added Tax Act 1994(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 (Special Provisions) (Amendment) Order 1997 and shall come into force on 3rd July 1997.
2. The Value Added Tax (Special Provisions) Order 1995(2) shall be amended as follows.
3. For article 12(3)(a) there shall be substituted—
 - “(a) that the taxable person took possession of the goods pursuant to—
 - (i) a supply in respect of which no VAT was chargeable under the Act or under Part I of the Manx Act;
 - (ii) a supply on which VAT was chargeable on the profit margin in accordance with paragraph (1) above or a corresponding provision made under the Manx Act or a corresponding provision of the law of another member State;
 - (iii) a transaction except one relating to the transfer of the assets of a business or part of a business as a going concern which was treated by virtue of any Order made or having effect as if made under section 5(3) of the Act or under the corresponding provisions of the Manx Act as being neither a supply of goods nor a supply of services;
 - (iv) a transaction relating to the transfer of the assets of a business or part of a business as a going concern which was treated as neither a supply of goods nor a supply of services if the transferor took possession of the goods in any of the circumstances described in this sub-paragraph; or

(1) 1994 c. 23; section 50A was inserted by section 24 of the Finance Act 1995 (c. 4).
(2) S.I.1995/1268; to which there are amendments not relevant to this Order.

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(v) (if the goods are a work of art) a supply to the taxable person by, or an acquisition from another member State by him from its creator or his successor in title;”.

2nd July 1997

Bob Ainsworth
Graham Allen
Two of the Lord Commissioners of Her
Majesty’s Treasury

EXPLANATORY NOTE

(This note is not part of the Order)

This Order, which comes into force on 3rd July 1997, amends the Value Added Tax (Special Provisions) Order 1995 (the “principal Order”).

Article 1 deals with commencement.

Article 3 amends article 12(3)(a) of the principal Order to exclude from eligibility for the margin scheme, goods obtained through the transfer of a business or part of a business as a going concern, unless those goods were previously eligible for margin scheme treatment by a transferor otherwise than by his having obtained them as part of a transfer of a going concern.