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## EXPLANATORY NOTE

*(This note is not part of the Order)*

This Order, which comes into force on 1st June 2002, amends Group 8 of Schedule 8 to the Value Added Tax Act 1994 (c. 23).

Services provided for the handling or storage of goods carried in a ship or aircraft are zero-rated if they are supplied in an airport, in a port or on land adjacent to a port. This Order also zero-rates such services if they are supplied in a place which has been approved by the Commissioners of Customs and Excise for the storage of goods in temporary storage (a transit shed), no matter where that place is located. (“Goods in temporary storage” are goods which have been presented to Customs but have not been assigned a customs-approved treatment or use).