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## EXPLANATORY NOTE

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

These Regulations, which come into force on 1st July 2003, further amend the Value Added Tax Regulations 1995 ([S.I.1995/2518](#)) (“the Principal Regulations”).

Regulation 3 makes amendment consequential to the amendment of sections 2, 29A and 88 of the Value Added Tax Act 1994 ([c. 23](#)). Regulation 4 corrects an error in regulation 24 of the Principal Regulations.

Regulations 5 and 6 make amendment relating to the zero-rating of supplies made to persons departing the member States. Regulation 130 of the Principal Regulations (which made separate provision specifically in respect of departing Community residents and the crew of ships and aircraft departing the UK) is omitted. The necessary consequential amendments are also made. The amended regulation 131 of the Principal Regulations implements the second subparagraph of Article 15(2) of Council Directive [77/88/EEC](#) (O.J. L. 145, 13.6.1997, p.1), as amended by Article 1(3) of Council Directive [95/7/EC](#) (O.J. L. 102, 5.5.1995, p.18).