STATUTORY INSTRUMENTS

1975 No. 624

VALUE ADDED TAX

The Input Tax (Exceptions) (No. 1) Order 1975

Made - - - - - -	16*th April* 1975
Laid before the House of Commons	16*th April* 1975
Coming into Operation - - -	1*st May* 1975

The Treasury, in exercise of the powers conferred on them by section 3(6) of the Finance Act 1972(**a**), hereby make the following Order:—

1. This Order may be cited as the Input Tax (Exceptions) (No. 1) Order 1975 and shall come into operation on 1st May 1975.

2.—(1) The Interpretation Act 1889(**b**) shall apply for the interpretation of this Order as it applies for the interpretation of an Act of Parliament.

(2) In this Order—

(*a*) " tax ", " taxable person " and " input tax " have the same meanings as in Part I of the Finance Act 1972 and " car tax " has the same meaning as in Part II of that Act;

(*b*) " vehicle " means, subject to paragraph (*c*) below, any motor vehicle of a kind normally used on public roads which has three or more wheels and either—

(i) is constructed or adapted solely or mainly for the carriage of passengers; or

(ii) has to the rear of the driver's seat roofed accommodation which is fitted with side windows or which is constructed or adapted for the fitting of side windows;

(*c*) the following are not included in the definition of " vehicle "—

(i) vehicles capable of accommodating only one person or suitable for carrying twelve or more persons;

(ii) vehicles of not less than three tons unladen weight;

(iii) caravans, ambulances and prison vans;

(iv) vehicles of a type approved by the Assistant Commissioner of Police of the Metropolis as conforming to the conditions of fitness for the time being laid down by him for the purposes of the London Cab Order 1934(**c**);

(v) vehicles constructed for a special purpose other than the carriage of persons and having no other accommodation for carrying persons than such as is incidental to that purpose;

(**a**) 1972 c. 41. (**b**) 1889 c. 63.
(**c**) S.R. & O. 1934/1346 (Rev. XIV, p. 795; 1934 I, p. 1221).

(*d*) " goods " means those goods, whether or not complete, which are—

(i) supplied to, or imported by, a taxable person on or after 1st May 1975, and

(ii) comprised in the items of the Table set out hereto, which shall be interpreted in accordance with the Notes contained therein—

TABLE

Item No.

1. Radio receivers or transmitters.
2. Gramophones or tape recorders.
3. Television sets.
4. Aerials.

Notes:

(1) Items 1 to 3 include goods which are capable of use as, or can be adapted to produce, goods within those items.

(2) Item 2 includes video cassette machines and other equipment for recording or reproducing sound or visual images by means of gramophone records, magnetic tape or similar recording media.

3. Where goods are installed in or added to a vehicle by, or to the order of, a taxable person and the taxable person supplies that vehicle together with the goods in circumstances where tax is charged on the whole supply at the rate applicable to the vehicle, tax on the supply to, or importation by, the taxable person of the goods installed or added, shall not be deducted by him as input tax except where—

(*a*) the vehicle is a chargeable vehicle for the purposes of the car tax, and

(*b*) the goods are installed before the vehicle is first sent out from the premises of the taxable person by whom the vehicle is made or imported.

J. Dormand
Donald R. Coleman

Two of the Lords Commissioners of Her Majesty's Treasury.

16th April 1975.

EXPLANATORY NOTE

(*This Note is not part of the Order.*)

This Order disallows the deduction of input tax on certain goods supplied or imported on or after 1st May 1975, if the goods are installed in a vehicle as defined in the Order and supplied together with the vehicle in circumstances where value added tax is charged at the standard rate. The disallowance does not apply, however, to goods installed in a vehicle of a kind chargeable with car tax before the vehicle has been sent out from the premises of the person by whom the vehicle was manufactured or imported.

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