STATUTORY INSTRUMENTS

1975 No. 616

VALUE ADDED TAX

The Value Added Tax (General) (Amendment) Regulations 1975

Made - - - -	15*th April* 1975
Laid before the House of Commons -	15*th April* 1975
Coming into Operation: Regulations 3 *and* 8 -	1*st May* 1975
The remainder - -	6*th May* 1975

The Commissioners of Customs and Excise, in exercise of the powers conferred on them by sections 3(4), 16(2) and 30(1) and (2) of the Finance Act 1972**(a)** and of all other powers enabling them in that behalf, hereby make the following Regulations:—

1.—(1) These Regulations may be cited as the Value Added Tax (General) (Amendment) Regulations 1975.

(2) They shall come into operation as to Regulations 3 and 8 on 1st May 1975 and as to the remainder on 6th May 1975.

2.—(1) In these Regulations "the Principal Regulations" means the Value Added Tax (General) Regulations 1974**(b)** as amended **(c)**.

(2) The Interpretation Act 1889**(d)** shall apply for the interpretation of these Regulations as it applies for the interpretation of an Act of Parliament.

3. Regulation 9 of the Principal Regulations shall be amended as follows—

(*a*) in paragraph (1), sub-paragraph (*g*) shall be deleted and there shall be substituted therefor the following—

"(*g*) for each description, the quantity of the goods or the extent of the services, the rate of tax, and the amount payable, excluding tax;";

(*b*) in paragraph (1), sub-paragraph (i), the word "and" shall be deleted;

(a) 1972 c. 41. **(b)** S.I. 1974/1379 (1974 II, p. 5287).
(c) The amending regulations are not relevant to the subject matter of these regulations.
(d) 1889 c. 63.

(*c*) in paragraph (1), sub-paragraph (*j*) shall be deleted and there shall be substituted therefor the following—

"(*j*) the amount of tax chargeable at each rate, with the rate to which it relates; and

(*k*) the total amount of tax chargeable.".

4. Regulation 25 of the Principal Regulations shall be amended as follows—

(*a*) paragraph (*a*) shall be deleted and there shall be substituted therefor the following—

"(*a*) all capital sums receivable in respect of an exempt supply of the grant, assignment or surrender of an interest in land which he has habitually occupied in the course of carrying on a business;";

(*b*) after paragraph (*e*) there shall be inserted—

"(*f*) any interest receivable as the consideration for the making of any advance or the granting of any credit by a person who makes no such supplies of services to his clients or customers and no other exempt supplies of financial services, except those mentioned in paragraphs (*d*) and (*e*) of this Regulation, or of insurance services.";

and as a consequence at the end of paragraph (*d*) thereof the word "and" shall be deleted and at the end of paragraph (*e*) thereof the full stop shall be deleted and there shall be substituted therefor ": and".

5. Regulation 27 of the Principal Regulations shall be amended as follows—

(*a*) in paragraph (1) the words after the comma in line 3 to the end shall be deleted and there shall be substituted therefor the following—

"a person's only exempt supplies are such that they are excluded by Regulation 25(*a*), (*d*), (*e*) or (*f*) from any calculation for the purpose of using a method all his supplies in that period shall be treated as taxable supplies.";

(*b*) in paragraph (2) the words after the semi-colon in line 7 to the end shall be deleted and there shall be substituted therefor the following—

"and for the purpose of any calculation made under this paragraph any exempt supply excluded by Regulation 25(*a*), (*d*), (*e*) or (*f*) from any calculation made by a person for the purpose of using a method, and that part of the value of any supply similarly excluded by Regulation 25(*c*), shall be disregarded."; and

(*c*) in paragraph (3) the words after "paragraph" in line 7 to the end shall be deleted and there shall be substituted therefor the following—

"the input tax attributable to any exempt supply excluded by Regulation 25(*a*), (*d*), (*e*) or (*f*) from any calculation for the purpose of using a method shall be disregarded.".

6. Regulation 39 of the Principal Regulations shall be amended as follows—

paragraphs (*c*) and (*d*) shall be deleted and there shall be substituted therefor the following—

"(*c*) (i) the goods were supplied in or imported into the United Kingdom before their export, and any purchase tax or tax due on that supply or importation was paid and neither has been, nor will be, refunded, or

(ii) the goods are imported by the person who made them;

(*d*) the goods were not exported free of tax by reason of the zero-rating provisions of the Act or Regulations made thereunder or free of purchase tax;".

7. Regulation 41 of the Principal Regulations shall be deleted and there shall be substituted therefor the following—

"41. Goods which have been exported from the United Kingdom by or on behalf of the person reimporting them and which have undergone any process or repair abroad shall, subject to the Commissioners' being satisfied as in Regulation 39(*a*), (*c*), (*d*) and (*f*)(i) or (iii) above, be chargeable with tax on reimportation as if the amount of any increase in the value of the goods, since their exportation, attributable to the process or repair were the whole value thereof.".

8. Regulation 52 of the Principal Regulations shall be amended as follows—

in paragraph (*a*), sub-paragraphs (iv) and (v) shall be deleted and there shall be substituted therefor the following—

"(iv) the description and quantity of goods sold at each rate of tax, and

(v) the amount for which they were sold and the amount of tax charged at each rate;".

Dorothy Johnstone
Commissioner of Customs and Excise.

15th April 1975.
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Mark Lane,
London EC3R 7HE.

EXPLANATORY NOTE

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

These Regulations amend various provisions of the Value Added Tax (General) Regulations 1974.

Regulations 1 and 2 are formal.

Regulation 3 amends the particulars to be contained in a tax invoice, to provide for supplies chargeable at more than one positive rate of tax.

As to Regulation 4:

Regulation 25(*a*) of the Principal Regulations provided that calculations of deductible input tax should exclude any capital sums receivable in respect of the grant, assignment or surrender of an interest in land occupied in the course of carrying on a business. Regulation 4(*a*) amends this provision by restricting the exclusion to sums receivable in respect of an "exempt" supply of an interest in land "habitually" occupied in the course of carrying on a business.

Regulation 4(*b*) provides that interest received as the consideration for making an advance or for granting credit is to be excluded from calculations of deductible input tax where such activities are incidental to the main business carried on by the recipient.

Regulation 5 makes amendments consequential on Regulation 4(*b*).

Regulation 6 extends relief from tax to reimported goods which have already borne tax on a previous importation, and to goods reimported by their manufacturer when he is not registered for tax.

Regulation 7 applies to reimported goods which have been processed or repaired abroad some of the conditions which presently govern the tax-free reimportation of goods which have not been so processed or repaired.

Regulation 8 amends the particulars which any person who sells goods of a taxable person in or towards satisfaction of a debt must furnish to Customs and Excise. The amendment provides for separate particulars to be given of goods chargeable at each rate of tax.

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