STATUTORY INSTRUMENTS

1986 No. 716

VALUE ADDED TAX

The Value Added Tax (Land) (No. 2) Order 1986

Made - - - - - - - -	17*th April* 1986
Laid before the House of Commons	18*th April* 1986
Coming into Operation	1*st June* 1986

The Treasury, in exercise of the powers conferred on them by sections 17(2) and 48(6) of the Value Added Tax Act 1983**(a)** and all other powers enabling them in that behalf, hereby make the following Order:

1. This Order may be cited as the Value Added Tax (Land) (No. 2) Order 1986 and shall come into operation on 1st June 1986.

2. Item 1 of Group 1 (land) of Schedule 6**(b)** (exemptions) to the Value Added Tax Act 1983 shall be varied—

(*a*) by deleting at the end of paragraph (*f*) the word "and";

(*b*) by deleting in paragraph (*g*) the word "services." and substituting the following—

"services; and

(*h*) the granting of facilities for playing any sport or participating in any physical recreation.";

(*c*) by adding the following note—

"(5) Paragraph (*h*) shall not apply where the granting of the facilities is for—

(*a*) a continuous period of use exceeding twenty-four hours; or

(*b*) a series of ten or more periods, whether or not exceeding twenty-four hours in total, where the following conditions are satisfied—

(i) each period is in respect of the same activity carried on at the same place;

(a) 1983 c. 55.

(b) Group 1 is varied by S.I. 1986/704.

(ii) the interval between each period is not less than one day and not more than fourteen days;

(iii) consideration is payable by reference to the whole series and is evidenced by written agreement;

(iv) the grantee has exclusive use of the facilities; and

(v) the grantee is a school, a club, an association or an organisation representing affiliated clubs or constituent associations.".

T. Garel-Jones,
Tim Sainsbury,
Two of the Lords Commissioners
of Her Majesty's Treasury.

17th April 1986.

EXPLANATORY NOTE

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

This Order adds to the supplies which are excluded from exemption under Group 1 of Schedule 6 to the VAT Act 1983 the letting of facilities for playing any sport or participating in any physical recreation. However, a new Note (5) has the effect of retaining exemption from VAT for any letting under which the facilities are to be used for more than twenty-four hours or one which is the subject of a written agreement for a series of lets for shorter periods, provided in the latter case that certain conditions are satisfied.

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