STATUTORY INSTRUMENTS

1975 No. 2015

VALUE ADDED TAX

The Value Added Tax (Processing) (Boats) Order 1975

Made - - - - - - -	*3rd December* 1975
Laid before the House of Commons	*4th December* 1975
Coming into Operation - - -	*1st January* 1976

The Treasury, in exercise of the powers conferred on them by section 18(4) of the Finance (No. 2) Act 1975(a), hereby make the following Order:—

1. This Order may be cited as the Value Added Tax (Processing) (Boats) Order 1975 and shall come into operation on 1st January 1976.

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

3.—(1) Subsection (3) of section 18 of the Finance (No. 2) Act 1975 shall be varied by deleting at the commencement of paragraph (*a*) thereof the words "boats of gross tonnage of 15 tons or more,".

(2) The said subsection shall be varied by adding after paragraph (*b*) thereof the following—

"(*c*) goods comprised in Items 1, 2, 5 and 6 of Group 3 of Schedule 7 to this Act.".

Donald R. Coleman,

James A. Dunn,

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

3rd December 1975.

(a) 1975 c. 45.

(b) 1889 c. 63.

EXPLANATORY NOTE

(This Note is not part of the Order.)

This Order extends the scope of section 18 of the Finance (No. 2) Act 1975, which provides that value added tax may be chargeable at the higher rate on the full value of certain kinds of goods when they are produced by treating or processing another person's standard-rated or zero-rated materials.

The Order brings within the scope of the section, which already covers adaptations of existing boats for use for recreation or pleasure, the construction from basic materials of higher-rated boats and of certain boat parts and accessories.

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