STATUTORY INSTRUMENTS

1973 No. 326

VALUE ADDED TAX

The Value Added Tax (Treatment of Transactions) (No. 2) Order 1973

Made - - - -	*26th February* 1973
Laid before the House of Commons	*6th March* 1973
Coming into Operation	*1st April* 1973

The Treasury, in exercise of the powers conferred on them by section 5(7)(*b*) of the Finance Act 1972(**a**), and of all other powers enabling them in that behalf, hereby make the following Order:—

1. This Order may be cited as the Value Added Tax (Treatment of Transactions) (No. 2) Order 1973 and shall come into operation on 1st April 1973.

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. The following description of transaction shall be treated as a supply of services and not as a supply of goods—

the exchange of a reconditioned article for an unserviceable article of a similar kind by a person who regularly offers in the course of his business to provide a reconditioning facility by that means.

Tim Fortescue,
Hugh Rossi,
Two of the Lords Commissioners of Her Majesty's Treasury.

26th February 1973.

EXPLANATORY NOTE

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

This Order provides that certain exchanges of reconditioned articles for similar unserviceable articles are to be treated as supplies of services and not supplies of goods for value added tax purposes. Tax will be chargeable on the payment made for the exchange and not on the full value of the reconditioned article.

(a) 1972 c. 41. (b) 1889 c. 63.

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