



Finance Act 1977

1977 CHAPTER 36

PART II

VALUE ADDED TAX

14 Restatement of value added tax

- (1) As from 1st January 1978, Part I of the Finance Act 1972 (which imposes the charge to value added tax) shall be amended as shown in Part I of Schedule 6 to this Act (these being amendments mainly to give effect to new Community provisions relating to the incidence and operation of the tax).
- (2) As from that date, in consequence of subsection (1), that Part of the 1972 Act, and the other enactments and subordinate legislation mentioned in Part II of that Schedule, shall have effect subject to the amendments there specified; and Part III of the Schedule shall have effect for transitional purposes.

15 Registration limits

- (1) Paragraphs 1 and 2 of Schedule 1 to the Finance Act 1972 (liability to be registered) shall be amended as follows.
- (2) In paragraph 1, in the provisions before the Table, for " £5,000 " (in both places) there shall be substituted " £7,500 " and in the second column of the Table for " 1,750 ", " 3,000 ", "4,250" and "5,000" there shall be substituted respectively " 2,625 ", " 4,500 ", " 6,375 " and " 7,500 ".
- (3) In paragraph 2 for " £4,000 " (in both places) there shall be substituted " £6,000 ", and for "£1,250 " there shall be substituted " £1,875 ".
- (4) In section 20(1) of that Act (registration of local authorities) for "£5,000" (in both places) there shall be substituted " £7,500 ".
- (5) In Schedule 2 to that Act, at the end of paragraph 3 (deemed supply of business assets, where business proprietor de-registered, except in certain cases), there shall be added—

Status: This is the original version (as it was originally enacted).

“or

(c) the tax on the deemed supply would be not more than £50”.

(6) Subsection (5) above shall not come into force until 5th August 1977, and subsections (1) to (4) not until 1st October 1977.

16 Goods imported for private purposes

(1) Where, on or after 1st August 1977, goods are imported by a taxable person and—
(a) at the time of importation they belong wholly or partly to another person ; and
(b) the purposes for which they are to be used include private purposes either of himself or of the other,

tax paid or payable by the taxable person on the importation of the goods shall not be regarded as input tax to be deducted or credited under section 3 of the Finance Act 1972 ; but he may make a separate claim to the Commissioners for it to be repaid.

(2) The Commissioners shall allow the claim if they are satisfied that to disallow it would result, in effect, in a double charge to tax; and where they allow it they shall do so only to the extent necessary to avoid the double charge.

(3) In considering a claim under this section, the Commissioners shall have regard to the circumstances of the importation and, so far as appearing to them to be relevant, things done with, or occurring in relation to, the goods at any subsequent time.

(4) Any amount allowed by the Commissioners on the claim shall be paid by them to the taxable person.

(5) In section 40(1) of the Finance Act 1972 (appeal to VAT Tribunal) after paragraph (j) there shall be inserted—

“(k) a claim by a taxable person under section 16 of the Finance Act 1977”.

(6) The reference above to a person's private purposes is to purposes which are not those of any business carried on by him.