

Changes to legislation: There are currently no known outstanding effects for the Value Added Tax Act 1994, Part 1. (See end of Document for details)

SCHEDULES

SCHEDULE 6

VALUATION: SPECIAL CASES

[^{F1}PART 1

VALUATION OF SUPPLIES OF FUEL FOR PRIVATE USE

Textual Amendments

- F1** Sch. 6 Pt. 1 inserted (with effect in accordance with Sch. 38 para. 7(1) of the amending Act) by [Finance Act 2013 \(c. 29\)](#), [Sch. 38 para. 2](#)

Option for valuation on flat-rate basis

- A1 (1) This paragraph applies if, in a prescribed accounting period, supplies of goods by a taxable person (“P”) arise by virtue of paragraph 5(1) of Schedule 4 (but otherwise than for a consideration) where road fuel which is or has previously been supplied to or imported or manufactured by P in the course of P’s business is provided for, or appropriated to, private use.
- (2) For this purpose “road fuel is provided for, or appropriated to, private use” if—
- (a) it is provided or to be provided by P—
 - (i) to an individual for private use in the individual’s own car or a car allocated to the individual, and
 - (ii) by reason of the individual’s employment,
 - (b) where P is an individual, it is appropriated or to be appropriated by P for private use in P’s own car, or
 - (c) where P is a partnership, it is provided or to be provided to any of the individual partners for private use in that partner’s own car.
- (3) P may opt for all supplies of goods within sub-paragraph (1) made by P in the prescribed accounting period to be valued on the flat-rate basis.
- (4) On the flat-rate basis, the value of all supplies made to any one individual in respect of any one car is that determined in accordance with an order under paragraph B1.
- B1 (1) The Treasury must, by order, make provision about the valuation of supplies on the flat-rate basis.
- (2) In particular, an order under this paragraph must—
- (a) set out a table (“the base valuation table”) by reference to which the value of supplies is to be determined until such time as the base valuation table is replaced under paragraph (b),

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- (b) provide that at regular intervals—
 - (i) the amounts specified in the base valuation table are to be revalorised by the Commissioners in accordance with the order, and
 - (ii) a table (an “updated valuation table”) containing the revalorised amounts is to take effect (and replace any existing table) in accordance with the order, and
 - (c) require the Commissioners to publish any updated valuation table before it takes effect, together with a statement specifying the date from which it has effect.
- (3) An order under this paragraph may provide for the base valuation table and any updated valuation table to be implemented or supplemented by either or both of the following—
- (a) rules set out in the order which explain how the value is to be determined by reference to any table;
 - (b) notes set out in the order with respect to the interpretation or application of any table or any rules or notes.
- (4) Rules or notes may make different provision for different circumstances or cases.

Interpretation

- C1 (1) For the purposes of this Part of this Schedule—
- (a) any reference to an individual's own car is to be construed as including any car of which for the time being the individual has the use, other than a car allocated to the individual,
 - (b) subject to sub-paragraph (2), a car is at any time to be taken to be allocated to an individual if at that time it is made available (without any transfer of the property in it) either to the individual or to any other person, and is so made available by reason of the individual's employment and for private use, and
 - (c) fuel provided by an employer to an employee and fuel provided to any person for private use in a car which, by virtue of paragraph (b), is for the time being taken to be allocated to the employee is to be taken to be provided to the employee by reason of the employee's employment.
- (2) For the purposes of this Part of this Schedule, in any prescribed accounting period a car is not regarded as allocated to an individual by reason of the individual's employment if—
- (a) in that period it was made available to, and actually used by, more than one of the employees of one or more employers and, in the case of each of them, it—
 - (i) was made available to that employee by reason of the employment, but
 - (ii) was not in that period ordinarily used by any one of them to the exclusion of the others,
 - (b) in the case of each of the employees, any private use of the car made by the employee in that period was merely incidental to the employee's other use of it in that period, and
 - (c) in that period it was not normally kept overnight on or in the vicinity of any residential premises where any of the employees was residing, except while

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being kept overnight on premises occupied by the person making the car available to them.

(3) In this Part of this Schedule—

“employment” includes any office, and related expressions are to be construed accordingly;

“car” means a motor car as defined by paragraph 1A(4) and (5);

“road fuel” means hydrocarbon oil as defined by the Hydrocarbon Oil Duties Act 1979 (see section 1(2) of that Act) on which duty has been or is required to be paid in accordance with that Act.

(4) The Treasury may, by order, amend the definition of “road fuel” in subparagraph (3).]

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