

1989 No. 1302

VALUE ADDED TAX

**The Value Added Tax (General) (Amendment) (No. 2)
Regulations 1989**

Made - - - - - 28th July 1989

Laid before the House of Commons 31st July 1989

Coming into force 1st August 1989

The Commissioners of Customs and Excise, in exercise of the powers conferred on them by section 15 of the Value Added Tax Act 1983(a) and of all other powers enabling them in that behalf, hereby make the following Regulations:

1. These Regulations may be cited as the Value Added Tax (General) (Amendment) (No. 2) Regulations 1989 and shall come into force on 1st August 1989.

2. In these Regulations—
“the principal Regulations” means the Value Added Tax (General) Regulations 1985(b).

3. In regulation 30(1) of the principal Regulations there shall be inserted after the word “regulation” the words “and regulation 30B”.

4. After sub-paragraph (c) of regulation 30(3) of the principal Regulations there shall be added the following sub-paragraph—

“(d) the value of any supply which, under or by virtue of any provision of the Act, the taxable person makes to himself”.

5. After regulation 30A of the principal Regulations there shall be inserted the following regulation—

“Attribution of input tax on self-supplies

30B. Where under or by virtue of any provision of the Act a person makes a supply to himself, the input tax on that supply shall not be allowable as attributable to that supply.”

6.—(1) This regulation applies where a taxable person has been allowed, pursuant to regulation 30(5) of the principal Regulations, to use a method other than one specified in regulation 30 of the principal Regulations for calculating the amount of input tax to be provisionally attributed to taxable supplies by him in any prescribed accounting period.

(2) Where this regulation applies, a taxable person calculating any amount as is mentioned in paragraph (1) above shall not include in the calculation (if the method in question would otherwise allow it)—

(a) 1983 c.55; section 15 was amended by section 12 of the Finance Act 1987 (c.16) and section 26 of the Finance Act 1989 (c.26).

(b) S.I. 1985/886; relevant amending instrument is S.I. 1987/510.

- (a) the value of any supply which, under or by virtue of any provision of the Act, the taxable person makes to himself; and
- (b) the input tax on such a supply.

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28th July 1989

P. G. Wilmott
Commissioner of Customs and Excise

EXPLANATORY NOTE

(This note is not part of the Regulations)

Regulations 3 to 5 of these Regulations, which come into force on 1st August 1989, further amend various provisions of the Value Added Tax (General) Regulations 1985 ("the principal Regulations").

Regulations 3 and 4 amend the principal Regulations to exclude, where appropriate, the value of any self-supply made by a taxable person under or by virtue of any provision of the Value Added Tax Act 1983, and the input tax on such a self-supply, from any calculation to determine the amount of any deductible input tax.

Regulation 5 introduces a new regulation 30B which prevents the input tax on any self-supply by a taxable person from being directly attributed to that supply.

Regulation 6 modifies the application of any method approved by the Commissioners under regulation 30(5) of the principal Regulations which a taxable person may have been allowed to use in determining the deductible proportion of input tax charged on importations by, and supplies to, him. In determining the amount of such input tax which he may provisionally attribute to the making of taxable supplies he must exclude the value of, and any tax on, any self-supply.

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ISBN 0 11 097302 X