

1989 No. 471

VALUE ADDED TAX

The Value Added Tax (Increase of Registration Limits)
Order 1989

<i>Made - - - - -</i>	<i>14th March 1989</i>
<i>Laid before the House of Commons</i>	<i>14th March 1989</i>
<i>Coming into force</i>	
<i>articles 1, 2(a) and (b)</i>	<i>15th March 1989</i>
<i>article 2(c)</i>	<i>1st June 1989</i>

The Treasury, in exercise of the powers conferred on them by paragraph 12 of Schedule 1 to the Value Added Tax Act 1983(a), hereby make the following Order:

1. This Order may be cited as the Value Added Tax (Increase of Registration Limits) Order 1989 and shall come into force on the following dates:

articles 1, 2(a) and (b)	15th March 1989
article 2(c)	1st June 1989

2. Schedule 1(b) to the Value Added Tax Act 1983 (provisions as to liability to be registered) shall be amended as follows:

- (a) in paragraph 1(1)(a)(i) for the figure "£7,500" there shall be substituted "£8,000",
- (b) in paragraphs 1(1)(a)(ii), 1(1)(b), 1(2) and 4(3) for the figure "£22,100" there shall be substituted "£23,600",
- (c) in paragraphs 1(3), 2(1) and 2(2) for the figure "£21,100" there shall be substituted "£22,600".

Kenneth Carlisle
Alan Howarth

14th March 1989

Two of the Lords Commissioners of Her Majesty's Treasury

(a) 1983 c.55; Schedule 1 was amended by the Finance Act 1984 (c.43) section 12, the Finance Act 1986 (c.41) section 10, the Finance Act 1987 (c.16) sections 13 and 14 and the Finance Act 1988 (c.39) section 14.
(b) Schedule 1 was varied by S.I. 1984/342, 1985/433, 1986/531, 1987/438, 1988/508.

EXPLANATORY NOTE

(This note is not part of the Order)

This Order increases the VAT registration limit from £22,100 to £23,600 per annum and the single quarterly limit from £7,500 to £8,000 with effect from 15th March 1989.

The Order also increases the limit for cancellation of registration from £21,100 to £22,600 with effect from 1st June 1989.

The later date of implementation of the change in the cancellation limits is to allow time for potential applicants for deregistration to consider their position and to make application to their local VAT Office.

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1989 No. 470

VALUE ADDED TAX

The Value Added Tax (Fund-Raising Events and Charities) Order 1989

Made - - - - - 14th March 1989

Laid before the House of Commons 14th March 1989

Coming into force 1st April 1989

The Treasury, in exercise of the powers conferred on them by sections 16(4) and 48(6) of the Value Added Tax Act 1983(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 (Fund-Raising Events and Charities) Order 1989 and shall come into force on 1st April 1989.

2. Group 16 (charities, etc) of Schedule 5(b) to the Value Added Tax Act 1983 shall be varied as follows—

(a) by substituting for item 8 the following—

“8. The supply to a charity of a publication in any newspaper, journal, poster, programme, annual, leaflet, brochure, pamphlet, periodical or similar publication of an advertisement which is for the raising of money for, or making known the objects or reasons for the objects of, the charity.”;

(b) in note 4(a) by inserting after the word “video” the word “, sterilising”.

3. Schedule 6 to the Value Added Tax Act 1983 shall be varied by adding after Group 11 the following—

“GROUP 12—FUND-RAISING EVENTS BY CHARITIES AND OTHER QUALIFYING BODIES

Item No.

1. The supply of goods and services by a charity in connection with a fund-raising event organised for charitable purposes by a charity or jointly by more than one charity.

2. The supply of goods and services by a qualifying body in connection with a fund-raising event organised exclusively for its own benefit.

Notes:

(1) For the purposes of items 1 and 2 “fund-raising event” means a fete, ball, bazaar, gala show, performance or similar event, which is separate from and not forming any part of a series or regular run of like or similar events.

(2) For the purposes of item 2 “qualifying body” means any non-profit making body mentioned in either section 47(3) of this Act or item 1 of Group 9 of Schedule 6 to this Act.”.

*Kenneth Carlisle
Alan Howarth*

14th March 1989

Two of the Lords Commissioners of Her Majesty's Treasury

(a) 1983 c.55.

(b) Group 16 was varied by S.I. 1983/1717, 1984/766, 1986/530, 1987/437.

EXPLANATORY NOTE

(This note is not part of the Order)

This Order extends the zero-rating provisions of Group 16 (charities, etc) of Schedule 5 to the Value Added Tax Act 1983 and adds a new Group 12 to the exemption Schedule of the same Act.

The zero-rating reliefs available under Group 16 have been extended to cover:—

—advertising published for a charity for educational or fund-raising purposes in a programme, annual, leaflet, brochure, pamphlet, poster or similar publication;

—sterilising equipment supplied to certain non-profit-making bodies for use in medical research, diagnosis or treatment.

The new Group 12 exempts supplies made in connection with one-off fund-raising events by charities and certain other non-profit-making bodies such as political parties and trades unions.

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1989 No. 472

VALUE ADDED TAX

The Value Added Tax (Self-supply of Construction Services) Order 1989

<i>Made</i>	- - - - -	<i>14th March 1989</i>
<i>Laid before the House of Commons</i>		<i>14th March 1989</i>
<i>Coming into force</i>	- - -	<i>1st April 1989</i>

The Treasury, in exercise of the powers conferred on them by sections 3(6) and (8) and 29(2) of the Value Added Tax Act 1983(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 (Self-supply of Construction Services) Order 1989 and shall come into force on 1st April 1989.

2. In this Order "the Act" means the Value Added Tax Act 1983.

3.—(1) Where a person, in the course or furtherance of a business carried on by him, for the purpose of that business and otherwise than for a consideration, performs any of the following services, that is to say—

- (a) the construction of a building; or
- (b) the extension or other alteration of, or the construction of an annexe to, any building such that additional floor area of not less than 10 per cent of the floor area of the original building is created; or
- (c) the construction of any civil engineering work; or
- (d) in connection with any such services as are described in sub-paragraph (a), (b) or (c) above, the carrying out of any demolition work contemporaneously with or preparatory thereto,

then, subject to each of the conditions specified in paragraph (2) below being satisfied, those services shall be treated for the purposes of the Act as both supplied to him for the purpose of that business and supplied by him in the course or furtherance of it.

(2) The conditions mentioned in paragraph (1) above are that—

- (a) the value of such services is not less than £100,000; and
- (b) such services would, if supplied for a consideration in the course or furtherance of a business carried on by a taxable person, be chargeable to tax at a rate other than nil.

(3) The preceding provisions of this article shall apply in relation to any bodies corporate which are treated for the purposes of section 29 of the Act as members of a group as if those bodies were one person, but anything done which would fall to be treated by virtue of this Order as services supplied to and by that person shall be treated as supplied to and by the representative member.

(a) 1983 c.55.

4.—(1) The value of any supply of services which is to be treated as taking place by virtue of this Order is the open market value of such services.

(2) Where any services of a description specified in article 3(1) above are in the process of being performed on the day this Order comes into force, the value of such services for the purposes of this Order shall be the value of such part of those services as are performed on or after that day.

Kenneth Carlisle

Alan Howarth

14th March 1989

Two of the Lords Commissioners of Her Majesty's Treasury

EXPLANATORY NOTE

(This note is not part of the Order)

This Order provides for value added tax to be chargeable where a person performs for himself the construction services specified in the Order which—

- (a) are of a value of not less than £100,000, and
- (b) would be chargeable to tax at the standard rate if performed for a consideration.

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