
STATUTORY INSTRUMENTS

1995 No. 152

VALUE ADDED TAX

The Value Added Tax (General) (Amendment) Regulations 1995

Made - - - - 25th January 1995
Laid before the House of
Commons - - - - 25th January 1995
Coming into force - - 15th February 1995

The Commissioners of Customs and Excise, in exercise of the powers conferred on them by section 93(1) and (2) of, and paragraph 2(1) of Schedule 11 to, the Value Added Tax Act 1994⁽¹⁾ 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) Regulations 1995 and shall come into force on 15th February 1995.

2. The Value Added Tax (General) Regulations 1985⁽²⁾ shall be amended in accordance with the following regulations.

3. In paragraph (1) of regulation 2⁽³⁾ for the definition of “alphabetical code” there shall be substituted the following—

““alphabetical code” means the alphabetical prefix as set out below which shall be used to identify the member State—

Austria	— AT
Belgium	— BE
Denmark	— DK
Finland	— FI
France	— FR
Germany	— DE
Greece	— EL
Ireland	— IE

(1) 1994 c. 23.

(2) S.I. 1985/886.

(3) Regulation 2 was amended by S.I. 1992/3102, 1993/1941.

Italy	— IT
Luxembourg	— LU
Netherlands	— NL
Portugal	— PT
Spain	— ES
Sweden	— SE
United Kingdom	— GB;”.

4. For paragraph (14) of regulation 38(4) there shall be substituted the following—

“(14)

In regulations 57F and 57J “customs territory of the Community” has the same meaning as it has for the purposes of Council Regulation (EEC) No. 2913/92(5)

5. In paragraph (1) of regulation 57D(6) sub-paragraph (iii) shall be omitted.
6. After regulation 57D there shall be inserted the following regulation—

“**57DA.**—(1) For the purposes of the Value Added Tax Act 1994 the territory of the Community shall be treated as excluding Austria, Finland and Sweden (the acceding States) in relation to goods to which this regulation applies.

(2) Subject to paragraph (4) below, the goods to which this regulation applies are—

- (a) goods which are the subject of a supply made in an acceding State before 1st January 1995 and which in pursuance of that supply are removed to the United Kingdom on or after 15th February 1995 being goods in the case of which provisions of the law of the acceding State in question having effect for purposes corresponding to those of subsection (6)(a) or (so far as it applies to exportations) subsection (8) of section 30 of the Value Added Tax Act 1994 have prevented VAT from being charged on that supply;
- (b) goods which were subject to a suspension regime before 1st January 1995, which by virtue of any Community legislation were to remain, for VAT purposes only, subject to that regime for a period beginning with that date and which cease to be subject to that regime on or after 15th February 1995.

(3) For the purposes of paragraph (2)(b) above, goods shall be treated as having become subject to a suspension regime if—

- (a) on their entry into the territory of the Community—
- (i) they were placed under a temporary admission procedure with full exemption from import duties, in temporary storage, in a free-zone, or under customs warehousing arrangements or inward processing arrangements; or
- (ii) they were admitted into the territorial waters of the United Kingdom for the purpose of being incorporated into drilling or production platforms, for the purposes of the construction, repair, maintenance, alteration or fitting-out of such platforms, for the purpose of linking such platforms to the mainland

(4) Regulation 38(14) was amended by S.I. 1992/3102.

(5) OJ No. 302, 19.10.1992, p.1; the territories comprising the customs territory of the Community are defined in Article 3 of Council Regulation (EEC) No. 2913/92 as amended by virtue of the treaty concerning the accession of Austria, Finland and Sweden to the European Union. (OJ No. C.241, 29.8.1994, p.9).

(6) Regulation 57D was inserted by S.I. 1992/3102.

of the United Kingdom, or for the purpose of fuelling or provisioning such platforms; or

- (b) they were placed under any customs transit procedure in pursuance of a supply made in the course of a business,

and (in the case in question) the time that any Community customs debt in relation to the goods would be incurred in the United Kingdom if the accession to the European Union of the acceding States were disregarded would fall to be determined by reference to the matters mentioned in paragraph (a) or (b) above.

(4) This regulation does not apply to the following goods—

- (a) goods which are exported on or after 15th February 1995 to a place outside the member States;
- (b) goods which are not means of transport and are removed on or after 15th February 1995 from a temporary admission procedure such as is referred to in paragraph (3)(a)(i) above, in order to be returned to the person in an acceding State who had exported them from that State;
- (c) means of transport which are removed on or after 15th February 1995 from a temporary admission procedure such as is referred to in paragraph 3(a)(i) above and which—
 - (i) were first brought into service before 1st January 1987; or
 - (ii) have a value not exceeding £4,000; or
 - (iii) have been charged in an acceding State to VAT which has not been remitted or refunded by reason of their exportation and to such other tax (if any) to which means of transport of that class or description are normally chargeable.”

New King’s Beam House,
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25th January 1995

Leonard Harris
Commissioner of Customs and Excise

Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations, which come into force on 15th February 1995, further amend the Value Added Tax (General) Regulations 1985 (S.I.1985/886) (the principal Regulations).

Regulation 3 amends the definition of “alphabetical code” in regulation 2(1) of the principal Regulations to take account of the accession to the European Union of Austria, Finland and Sweden. The use of the alphabetical code is required by Article 22.1.d of Council Directive No. 77/388/EEC (OJ No. L145, 13.6.1977, p.1) as amended by Article 28h of that Directive. Article 28h was inserted by Article 1.22 of Council Directive No. 91/680/EEC (OJ No. L376, 31.12.1991, p.1).

Regulation 4 amends the definition of “customs territory of the Community” in regulation 38(14) of the principal Regulations in consequence of the accession to the European Union of Austria, Finland and Sweden.

Regulation 5 amends regulation 57D(1) of the principal Regulations so as to treat certain territories which were excluded from the territory of the Community as being included in that territory.

Regulation 6 inserts new regulation 57DA in the principal Regulations in order to implement Council Directive 94/76/EC which was adopted on 22nd December 1994 (not yet published in the Official Journal of the European Union). The Directive amends Council Directive 77/388/EEC (OJ No. L145, 13.6.1977, p.1) by introducing transitional arrangements for the taxation of goods from Austria, Finland and Sweden.

The effect of regulation 57DA is to treat certain goods as if they were imported into the United Kingdom. Subject to the exceptions in paragraph (4) of the regulation, such goods are those which were supplied, in the course of a tax-free export, in an acceding State before the date of accession and arrive in the United Kingdom on or after 15th February 1995, or those which are removed on or after that date from specified customs arrangements or procedures under which they were placed before 1st January 1995.