
STATUTORY INSTRUMENTS

1998 No. 1375

The Value Added Tax (Reduced Rate) Order 1998

6. After paragraph 4 there shall be inserted—

“5.—(1) For the purposes of this paragraph—

- (a) “the Contributions and Benefits Act” means the Social Security Contributions and Benefits Act 1992(1); and
- (b) “the Northern Ireland Act” means the Social Security Contributions and Benefits (Northern Ireland) Act 1992(2).

(2) For the purposes of paragraph 1(1) above a person to whom a supply is made is “a qualifying person” if at the time of the supply he—

- (a) is aged 60 or over; or
- (b) is in receipt of one or more of the benefits mentioned in sub-paragraph (3) below.

(3) The benefits referred to in sub-paragraph (2) above are as follows—

- (a) council tax benefit under Part VII of the Contributions and Benefits Act;
- (b) disability living allowance under Part III of the Contributions and Benefits Act or Part III of the Northern Ireland Act;
- (c) disability working allowance under Part VII of the Contributions and Benefits Act or Part VII of the Northern Ireland Act;
- (d) family credit under Part VII of the Contributions and Benefits Act or Part VII of the Northern Ireland Act;
- (e) housing benefit under Part VII of the Contributions and Benefits Act or Part VII of the Northern Ireland Act;
- (f) an income-based jobseeker’s allowance within the meaning of section 1(4) of the Jobseekers Act 1995(3) or Article 3(4) of the Jobseekers (Northern Ireland) Order 1995(4);
- (g) income support under Part VII of the Contributions and Benefits Act or Part VII of the Northern Ireland Act;
- (h) disablement pension under Part V of the Contributions and Benefits Act or Part V of the Northern Ireland Act, which is payable at the increased rate provided for under section 104 (constant attendance allowance) of the Act concerned; and
- (i) war disablement pension under the Naval, Military and Air Forces Etc. (Disablement and Death) Service Pensions Order 1983(5), which is payable at the increased rate provided for under article 14 (constant attendance allowance) or article 26A (mobility supplement) of that Order.

(1) 1992 c. 4.

(2) 1992 c. 7.

(3) 1995 c. 18.

(4) S.I.1995/2705 (N.I. 15).

(5) S.I. 1983/883; relevant amending instruments are S.I. 1983/1116, 1983/1521, 1986/592, 1990/1308, 1991/766, 1992/710, 1995/766, 1997/286.

(4) For the purposes of paragraph 1(1)(b) and (c) above “energy-saving materials” means any of the following—

- (a) insulation for walls, floors, ceilings, roofs or lofts or for water tanks, pipes or other plumbing fittings;
- (b) draught stripping for windows and doors;
- (c) central heating system controls;
- (d) hot water system controls.

(5) For the purposes of paragraph 1(1A) and (1B) above a scheme is a “relevant scheme” if it is one which—

- (a) has as one of its objectives the funding of the installation of energy-saving materials in the homes of any persons who are qualifying persons, and
- (b) disburses, whether directly or indirectly, its grants in whole or in part out of funds made available to it in order to achieve that objective—
 - (i) by the Secretary of State,
 - (ii) by the European Community,
 - (iii) under an arrangement approved by the Director General of Electricity Supply, the Director General of Electricity Supply for Northern Ireland or the Director General of Gas Supply, or
 - (iv) by a local authority⁽⁶⁾.”

(6) Local authority is defined in section 96(4) of the Value Added Tax Act 1994 (c. 23) (as amended by article 2 of S.I. 1995/1510 and article 7(1) of, and paragraph 8 of Schedule 1 to, S.I. 1996/739) as the council of a county, county borough, district, London borough, parish or group of parishes (or in Wales, community or group of communities), the Common Council of the City of London, the Council of the Isles of Scilly, and any joint committee or joint board established by two or more of the foregoing and, in relation to Scotland, a council constituted under section 2 of the Local Government (Scotland) Act 1994 (c. 39), any two or more such councils and any joint committee or joint board within the meaning of section 235(1) of the Local Government (Scotland) Act 1973 (c. 65).