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STATUTORY INSTRUMENTS

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**2001 No. 754**

**VALUE ADDED TAX**

**The Value Added Tax (Vehicles Designed or Adapted for Handicapped Persons) Order 2001**

<i>Made</i>	- - - -	<i>7th March 2001</i>
<i>Laid before the House of Commons</i>	- - - -	<i>7th March 2001</i>
<i>Coming into force</i>	- -	<i>1st April 2001</i>

The Treasury, in exercise of the powers conferred on them by section 30(4) and section 96(9) of the Value Added Tax Act 1994<sup>(1)</sup> 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 (Vehicles Designed or Adapted for Handicapped Persons) Order 2001 and shall come into force on 1st April 2001 and shall have effect in relation to supplies, acquisitions or importations made on or after that date.

2. In paragraph (f) of item 2 of Group 12<sup>(2)</sup> (drugs, medicines, aids for the handicapped, etc) of Schedule 8 to the Value Added Tax Act 1994 (zero rating) for “5” there shall be substituted “11”.

3. After item 2 there shall be inserted—

“2A The supply of a qualifying motor vehicle—

(a) to a handicapped person—

(i) who usually uses a wheelchair, or

(ii) who is usually carried on a stretcher,

for domestic or his personal use; or

(b) to a charity for making available to such a handicapped person by sale or otherwise, for domestic or his personal use.”.

4. In item 5 after “2,” insert “2A,”.

5. In Note (5) delete “and 2” and insert “, 2 and 2A”.

6. After Note (5K) there shall be inserted—

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(1) 1994 c. 23.

(2) Group 12 amended by S.I.1995/652, 1997/2744, 2000/503 and 2000/805.

“(5L) A “qualifying motor vehicle” for the purposes of item 2A is a motor vehicle (other than a motor vehicle capable of carrying more than 12 persons including the driver)—

(a) that is designed or substantially and permanently adapted to enable a handicapped person—

(i) who usually uses a wheelchair, or

(ii) who is usually carried on a stretcher,

to enter, and drive or be otherwise carried in, the motor vehicle; or

(b) that by reason of its design, or being substantially and permanently adapted, includes features whose design is such that their sole purpose is to allow a wheelchair used by a handicapped person to be carried in or on the motor vehicle.”.

*Jim Dowd*

*Greg Pope*

Two of the Lords Commissioners of Her  
Majesty’s Treasury

7th March 2001

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## EXPLANATORY NOTE

*(This note is not part of the Order)*

This Order, which comes into force on 1st April 2001, amends Group 12 of Schedule 8 to the Value Added Tax Act 1994 (c. 23) (“the Act”).

Article 2 of the Order amends paragraph (f) of item 2 of Group 12 of Schedule 8 to the Act, to increase the size of the vehicles eligible for the zero rate from those carrying a total of 6 persons, to those carrying a total of 12 persons.

Articles 3 and 6 of the Order make provision for the zero-rating of supplies of vehicles carrying up to 12 persons and designed, or substantially and permanently adapted, to enable a wheelchair or stretcher user to travel in the vehicle without the need to be in a wheelchair or on a stretcher.

Article 4 makes provision for the zero-rating of repair and maintenance services for these vehicles and article 5 applies the zero rate where the vehicles are let out on hire.