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SCHEDULES

SCHEDULE 3

Section 10(6).

VALUE OF SUPPLY—SPECIAL CASES

- 1 Where it appears to the Commissioners—
 - (a) that a taxable person has supplied goods or services for a consideration in money the amount of which has been determined with a view to securing a reduction of liability to tax ; and
 - (b) that it is likely that goods or services will be similarly supplied by him ; and
 - (c) that it is necessary for the protection of the revenue to exercise their powers under this paragraph ;they may by notice in writing give directions to that person for securing that the value by reference to which tax is charged on any supply by him of goods or services after the giving of the notice or after such later date as may be specified therein is not less than the open market value of the supply.
- 2 Where it appears to the Commissioners—
 - (a) that a taxable person carries on his business or part of his business by supplying to a number of individuals goods to be sold, whether by them or others, by retail; and
 - (b) that those individuals are not taxable persons ; and
 - (c) that it is necessary for the protection of the revenue to exercise their powers under this paragraph ;they may by notice in writing give directions to the taxable person for securing that the value by reference to which tax is charged on any such supply by him after the giving of the notice or after such later date as may be specified therein shall be determined as if the consideration given by any such individual for the supply were equal to the price at which the goods are sold by retail.
- 3 Where goods are supplied in pursuance of an agreement with respect to which the requirements of section 7 of the Hire-Purchase Act 1965, section 7 of the Hire-Purchase (Scotland) Act 1965 or section 7 of the Hire-Purchase Act (Northern Ireland) 1966 are complied with the consideration for the supply shall be taken for the purposes of this Part of this Act to be the cash price stated in the agreement.
- 4 Where goods or services are supplied for a consideration in money which is to be reduced if payment is made immediately or within a specified time the consideration shall be taken for the purposes of this Part of this Act as so reduced whether or not payment is so made.
- 5 Where a right to receive goods or services for an amount stated on any token, stamp or voucher is granted for a consideration, the consideration shall be disregarded for the purposes of this Part of this Act except to the extent (if any) that it exceeds that amount.
- 6 Where a supply is a gift of goods or a supply deemed to be made under paragraph 1 of Schedule 2 to this Act, the value of the supply shall be taken to be the cost of

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the goods to the person making the supply ; except that if that cost does not exceed £10 and the supply is a gift its value shall be taken to be nil.

7 Where a supply of services consists in the provision of accommodation in a hotel, inn, boarding house or similar establishment for a period exceeding four weeks—

(a) the value of so much of the supply as is in excess of four weeks shall be taken to be reduced to such part thereof as is attributable to facilities other than the right to occupy the accommodation ; and

(b) that part shall be taken to be not less than 20 per cent.

8 A direction under paragraph 1 or paragraph 2 of this Schedule may be varied or withdrawn by the Commissioners by a further direction given by notice in writing.