



Value Added Tax Act 1994

1994 CHAPTER 23

PART I

THE CHARGE TO TAX

Imposition and rate of VAT

1 Value added tax.

- (1) Value added tax shall be charged, in accordance with the provisions of this Act—
- (a) on the supply of goods or services in the United Kingdom (including anything treated as such a supply),
 - ^{F1}(b)
 - ^{F2}(c) on the importation of goods into the United Kingdom,]
- and references in this Act to VAT are references to value added tax.
- (2) VAT on any supply of goods or services is a liability of the person making the supply and (subject to provisions about accounting and payment) becomes due at the time of supply.
- ^{F3}(3)
- (4) VAT on the importation of goods [^{F4}into the United Kingdom] shall be charged and payable as if it were [^{F5}import duty].

Textual Amendments

- F1** S. 1(1)(b) omitted (31.12.2020) by virtue of [Taxation \(Cross-border Trade\) Act 2018 \(c. 22\), ss. 41\(2\)\(a\), 57\(3\)](#) (with savings and transitional provisions in [S.I. 2019/105](#) (as amended by [S.I. 2020/1495](#), regs. 1(2), **21**), [S.I. 2020/1545](#), **Pt. 4** and 2020 c. 26, **Sch. 2 para. 7(7)-(9)**); [S.I. 2020/1642](#), **reg. 4(b)** (with [reg. 7](#))
- F2** S. 1(1)(c) substituted (28.1.2019 for specified purposes, 31.12.2020 in so far as not already in force) by [Taxation \(Cross-border Trade\) Act 2018 \(c. 22\), ss. 41\(2\)\(b\), 57\(3\)](#) (with savings and transitional

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- provisions in S.I. 2019/105 (as amended by S.I. 2020/1495, regs. 1(2), **21**), S.I. 2020/1545, **Pt. 4** and 2020 c. 26, **Sch. 2 para. 7(7)-(9)**); S.I. 2019/104, **reg. 2**; S.I. 2020/1642, **reg. 4(b)** (with reg. 7)
- F3** S. 1(3) omitted (31.12.2020) by virtue of Taxation (Cross-border Trade) Act 2018 (c. 22), s. 57(3), **Sch. 8 para. 2(2)** (with Sch. 8 para. 99) (with savings and transitional provisions in S.I. 2019/105 (as amended by S.I. 2020/1495, regs. 1(2), **21**), S.I. 2020/1545, **Pt. 4** and 2020 c. 26, **Sch. 2 para. 7(7)-(9)**); S.I. 2020/1642, **reg. 4(b)** (with reg. 7)
- F4** Words in s. 1(4) substituted (31.12.2020) by Taxation (Cross-border Trade) Act 2018 (c. 22), s. 57(3), **Sch. 8 para. 2(3)(a)** (with Sch. 8 para. 99) (with savings and transitional provisions in S.I. 2019/105 (as amended by S.I. 2020/1495, regs. 1(2), **21**), S.I. 2020/1545, **Pt. 4** and 2020 c. 26, **Sch. 2 para. 7(7)-(9)**); S.I. 2020/1642, **reg. 4(b)** (with reg. 7)
- F5** Words in s. 1(4) substituted (31.12.2020) by Taxation (Cross-border Trade) Act 2018 (c. 22), s. 57(3), **Sch. 8 para. 2(3)(b)** (with Sch. 8 para. 99) (with savings and transitional provisions in S.I. 2019/105 (as amended by S.I. 2020/1495, regs. 1(2), **21**), S.I. 2020/1545, **Pt. 4** and 2020 c. 26, **Sch. 2 para. 7(7)-(9)**); S.I. 2020/1642, **reg. 4(b)** (with reg. 7)

2 Rate of VAT.

- (1) Subject to the following provisions [^{F6}and to the provisions of section 29A] of this section ^{F7}..., VAT shall be charged at the rate of [^{F8}20 per cent] and shall be charged—
- (a) on the supply of goods or services, by reference to the value of the supply as determined under this Act; and
- ^{F9}(b)
- (c) on the importation of goods ^{F10}..., by reference to the value of the goods as determined under this Act.

^{F11}(1A)

^{F11}(1B)

^{F12}(1C)

- (2) The Treasury may by order increase or decrease the rate of VAT for the time being in force [^{F13}under this section] by such percentage thereof not exceeding 25 per cent. as may be specified in the order, but any such order [^{F14}that has not previously expired or been revoked] shall cease to be in force at the expiration of a period of one year from the date on which it takes effect, unless continued in force by a further order under this subsection.
- (3) In relation to an order made under subsection (2) above to continue, vary or replace a previous order, the reference in that subsection to the rate for the time being in force [^{F13}under this section] is a reference to the rate which would be in force if no order under that subsection had been made.

Textual Amendments

- F6** Words in s. 2(1) inserted (11.5.2001 with effect as mentioned in s. 99(7)(a) of the amending Act) by 2001 c. 9, s. 99(2)
- F7** Words in s. 2(1) omitted (1.5.1995 with application as mentioned in s. 21(6) of the amending Act) by virtue of 1995 c. 4, s. 21(2)
- F8** Words in s. 2(1) substituted (27.7.2010) by Finance (No. 2) Act 2010 (c. 31), s. 3(1)
- F9** S. 2(1)(b) omitted (31.12.2020) by virtue of Taxation (Cross-border Trade) Act 2018 (c. 22), s. 57(3), **Sch. 8 para. 3(a)** (with Sch. 8 para. 99) (with savings and transitional provisions in S.I. 2019/105 (as

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- amended by S.I. 2020/1495, regs. 1(2), 21), S.I. 2020/1545, Pt. 4 and 2020 c. 26, Sch. 2 para. 7(7)-(9)); S.I. 2020/1642, reg. 4(b) (with reg. 7)
- F10** Words in s. 2(1)(c) omitted (31.12.2020) by virtue of Taxation (Cross-border Trade) Act 2018 (c. 22), s. 57(3), **Sch. 8 para. 3(b)** (with Sch. 8 para. 99) (with savings and transitional provisions in S.I. 2019/105 (as amended by S.I. 2020/1495, regs. 1(2), **21**), S.I. 2020/1545, **Pt. 4** and 2020 c. 26, **Sch. 2 para. 7(7)-(9)**); S.I. 2020/1642, **reg. 4(b)** (with reg. 7)
- F11** S. 2(1A)(1B) repealed (11.5.2001 with effect as mentioned in s. 99(7) of the amending Act) by 2001 c. 9, ss. 99(3), 110, **Sch. 33 Pt. 3(1)** Note 2
- F12** S. 2(1C) repealed (1.11.2001) by 2001 c. 9, ss. 99(3), 110, **Sch. 33 Pt. 3(1)** Note 1
- F13** Words in s. 2(2)(3) inserted (11.5.2001 with effect as mentioned in s. 99(9)(a) of the amending Act) by 2001 c. 9, s. 99, Sch. 31 para. 2
- F14** Words in s. 2(2) inserted (with effect in accordance with Sch. 3 para. 11 of the amending Act) by Finance Act 2009 (c. 10), **Sch. 3 para. 25(2)**

Modifications etc. (not altering text)

- C1** S. 2(1) modified (1.12.2008) by The Value Added Tax (Change of Rate) Order 2008 (S.I. 2008/3020), arts. 1, **3**

3 Taxable persons and registration.

- (1) A person is a taxable person for the purposes of this Act while he is, or is required to be, registered under this Act.
- (2) [^{F15}Schedules 1 to 3A] shall have effect with respect to registration [^{F16}(and see also Parts 8 and 9 of Schedule 9ZA which contain further provisions about registration)].
- (3) Persons registered under any of those Schedules [^{F17}and Part 8 and 9 of Schedule 9ZA] shall be registered in a single register kept by the Commissioners for the purposes of this Act; and, accordingly, references in this Act to being registered under this Act are references to being registered under any of those Schedules [^{F18}or those Parts].
- (4) The Commissioners may by regulations make provision as to the inclusion and correction of information in that register with respect to the Schedule under which any person is registered.

Textual Amendments

- F15** Words in s. 3(2) substituted (28.7.2000 with effect as mentioned in s. 136(10) of the amending Act) by 2000 c. 17, **s. 136(1)**
- F16** Words in s. 3(2) inserted (17.12.2020 for specified purposes, 31.12.2020 in so far as not already in force) by Taxation (Post-transition Period) Act 2020 (c. 26), s. 11(1)(e), **Sch. 2 para. 3(a)** (with Sch. 2 para. 7(7)-(9)); S.I. 2020/1642, **reg. 9**
- F17** Words in s. 3(3) inserted (17.12.2020 for specified purposes, 31.12.2020 in so far as not already in force) by Taxation (Post-transition Period) Act 2020 (c. 26), s. 11(1)(e), **Sch. 2 para. 3(b)(i)** (with Sch. 2 para. 7(7)-(9)); S.I. 2020/1642, **reg. 9**
- F18** Words in s. 3(3) inserted (17.12.2020 for specified purposes, 31.12.2020 in so far as not already in force) by Taxation (Post-transition Period) Act 2020 (c. 26), s. 11(1)(e), **Sch. 2 para. 3(b)(ii)** (with Sch. 2 para. 7(7)-(9)); S.I. 2020/1642, **reg. 9**

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F19 3A Supplies of electronic, telecommunication and broadcasting services: special accounting schemes

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Textual Amendments

- F19** S. 3A omitted (31.12.2020) by virtue of [Taxation \(Cross-border Trade\) Act 2018 \(c. 22\)](#), s. 57(3), [Sch. 8 para. 4](#) (with [Sch. 8 para. 99](#)) (with savings and transitional provisions in [S.I. 2019/105](#) (as amended by [S.I. 2020/1495](#), regs. 1(2), [21](#)), [S.I. 2020/1545](#), [Pt. 4](#) and 2020 c. 26, [Sch. 2 para. 7\(7\)-\(9\)](#)); [S.I. 2020/1642](#), [reg. 4\(b\)](#) (with reg. 7)

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