



# Value Added Tax Act 1994

## 1994 CHAPTER 23

### PART I

#### THE CHARGE TO TAX

##### *Supply of goods or services in the United Kingdom*

#### **[<sup>F1</sup>5A Supplies of goods facilitated by online marketplaces: deemed supply**

(1) This section applies where—

- (a) a person (“P”) makes a taxable supply of goods in the course or furtherance of a business to another person (“R”),
- (b) that supply is facilitated by an online marketplace, and
- [ one of the following applies—  
<sup>F2</sup>(c)
  - (i) the imported consignment condition is met, or
  - (ii) the supply of goods to R does not involve those goods being imported, but P is established outside the United Kingdom.]

[ But this section does not apply in a case where P is established outside the United  
<sup>F3</sup>(1A) Kingdom and the imported consignment condition is not met if—

- (a) R is registered under this Act,
- (b) R has provided the operator of the online marketplace with R's VAT registration number, and
- (c) the operator of the online marketplace has provided P with that number and details of the supply before the end of the relevant period.]

(2) For the purposes of this Act—

- (a) P is to be treated as having supplied the goods to the operator of the online marketplace, and
- (b) the operator is to be treated as having supplied the goods to R in the course or furtherance of a business carried on by the operator.

(3) The imported consignment condition is met where—

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*Changes to legislation:* There are currently no known outstanding effects for the Value Added Tax Act 1994, Section 5A. (See end of Document for details)

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- (a) the supply of the goods to R involves those goods being imported,
  - (b) the intrinsic value of the consignment of which the goods are part is not more than £135, and
  - (c) the consignment of which the goods are part—
    - (i) does not contain excepted goods, and
    - (ii) is not a consignment in relation to which a postal operator established outside the United Kingdom has an obligation under an agreement with the Commissioners to pay any import VAT that is chargeable on the importation of that consignment into the United Kingdom.
- (4) For the purposes of subsection (3)(c)(i), “excepted goods” means goods of a class or description subject to any duty of excise whether or not those goods are in fact chargeable with that duty, and whether or not that duty has been paid on the goods.
- (5) The Commissioners may by regulations<sup>F4</sup>—
- (a) specify the details that must be provided for the purposes of subsection (1A)(c);
  - (b)] substitute a different figure for a figure that is at any time specified in subsection (3)(b).
- [ In this section—
- <sup>F5</sup>(6) “relevant period” means the period of 7 days beginning with the day on which the supply is treated as taking place under section 6 or such longer period as the Commissioners may allow in general or specific directions;
- “VAT registration number” means the number allocated by the Commissioners to a person registered under this Act.]]

#### Textual Amendments

- F1** S. 5A 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. 3 para. 2** (with [Sch. 2 para. 7\(7\)-\(9\)](#)); [S.I. 2020/1642](#), **reg. 9**
- F2** S. 5A(1)(c) substituted (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. 3 para. 3(2)** (with [Sch. 2 para. 7\(7\)-\(9\)](#)); [S.I. 2020/1642](#), **reg. 9**
- F3** S. 5A(1A) 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. 3 para. 3(3)** (with [Sch. 2 para. 7\(7\)-\(9\)](#)); [S.I. 2020/1642](#), **reg. 9**
- F4** Words in s. 5A(5) 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. 3 para. 3(4)** (with [Sch. 2 para. 7\(7\)-\(9\)](#)); [S.I. 2020/1642](#), **reg. 9**
- F5** S. 5A(6) 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. 3 para. 3(5)** (with [Sch. 2 para. 7\(7\)-\(9\)](#)); [S.I. 2020/1642](#), **reg. 9**

**Changes to legislation:**

There are currently no known outstanding effects for the Value Added Tax Act 1994, Section 5A.