



Finance Act 1995

1995 CHAPTER 4

PART II

VALUE ADDED TAX AND INSURANCE PREMIUM TAX

Value added tax

25 Groups of companies.

(1) Section 43 of the ^{M1}Value Added Tax Act 1994 (groups of companies) shall be amended as follows.

(2) [^{F1}After subsection (1) there shall be inserted the following subsection—

“(1A) Paragraph (a) of subsection (1) above shall not apply in relation to any supply of goods or services by one member of a group to another unless both the body making the supply and the body supplied continue to be members of that group until—

- (a) in the case of a supply of goods which are to be removed in pursuance of the supply, a time after the removal;
- (b) in the case of any other supply of goods, a time after the goods have been made available, in pursuance of the supply, to the body supplied; or
- (c) in the case of a supply of services, a time after the services have been performed.”];

and in subsection (1)(b), for “other supply” there shall be substituted “supply which is a supply to which paragraph (a) above does not apply and is a supply”.

(3) In subsection (5) (applications to be treated or to cease to be treated as members of a group etc.), for the words after paragraph (d) there shall be substituted—

“unless the Commissioners refuse the application under subsection (5A) below.”

*Changes to legislation: There are currently no known outstanding effects
for the Finance Act 1995, Section 25. (See end of Document for details)*

(4) After subsection (5) there shall be inserted the following subsection—

“(5A) If it appears to the Commissioners necessary to do so for the protection of the revenue, they may—

- (a) refuse any application made to the effect mentioned in paragraph (a) or (c) of subsection (5) above; or
- (b) refuse any application made to the effect mentioned in paragraph (b) or (d) of that subsection in a case that does not appear to them to fall within subsection (6) below.”

(5) Subsection (2) above has effect in relation to—

- (a) any supply made on or after 1st March 1995, and
- (b) any supply made before that date in the case of which both the body making the supply and the body supplied continued to be members of the group in question until at least that date,

and subsections (3) and (4) above have effect in relation to applications made on or after the day on which this Act is passed.

Textual Amendments

F1 Words in s. 25(2) repealed (29.4.1996 with effect as mentioned in s. 31(5) of the amending Act) by 1996 c. 8, s. 205, **Sch. 41 Pt. IV(5)**

Marginal Citations

M1 1994 c. 23.

Changes to legislation:

There are currently no known outstanding effects for the Finance Act 1995, Section 25.