



Finance Act 1996

1996 CHAPTER 8

PART II

VALUE ADDED TAX

EC Second VAT Simplification Directive

29 Work on materials.

- (1) The Value Added Tax Act 1994 shall be amended as follows.
- (2) After subsection (2) of section 30 there shall be inserted the following subsection—
 - “(2A) A supply by a person of services which consist of applying a treatment or process to another person’s goods is zero-rated by virtue of this subsection if by doing so he produces goods, and either—
 - (a) those goods are of a description for the time being specified in Schedule 8; or
 - (b) a supply by him of those goods to the person to whom he supplies the services would be of a description so specified.”
- (3) In subsection (5) of section 55 (supplies of gold), after paragraph (b) there shall be inserted the following—
 - “; or
 - (c) any supply of services consisting in the application to another person’s goods of a treatment or process which produces goods a supply of which would fall within paragraph (a) above.”;and the word “or” at the end of paragraph (a) shall be omitted.
- (4) Paragraph 2 of Schedule 4 (which provides that the treatment or processing of another person’s goods shall in certain circumstances be a supply of goods) shall be omitted.
- (5) This section shall apply to supplies made on or after 1st January 1996.

Changes to legislation:

There are currently no known outstanding effects for the Finance Act 1996, Section 29.