



Finance Act 1996

1996 CHAPTER 8

PART II

VALUE ADDED TAX

Other provisions relating to charges to VAT

30 Refunds in connection with construction and conversion.

- (1) For subsection (1) of section 35 of the Value Added Tax Act 1994 (refund of VAT to persons constructing certain buildings) there shall be substituted the following subsections—

“(1) Where—

- (a) a person carries out works to which this section applies,
- (b) his carrying out of the works is lawful and otherwise than in the course or furtherance of any business, and
- (c) VAT is chargeable on the supply, acquisition or importation of any goods used by him for the purposes of the works,

the Commissioners shall, on a claim made in that behalf, refund to that person the amount of VAT so chargeable.

(1A) The works to which this section applies are—

- (a) the construction of a building designed as a dwelling or number of dwellings;
- (b) the construction of a building for use solely for a relevant residential purpose or relevant charitable purpose; and
- (c) a residential conversion.

(1B) For the purposes of this section goods shall be treated as used for the purposes of works to which this section applies by the person carrying out the works in so far only as they are building materials which, in the course of the works, are incorporated in the building in question or its site.

*Changes to legislation: There are currently no known outstanding effects
for the Finance Act 1996, Section 30. (See end of Document for details)*

(1C) Where—

- (a) a person (“the relevant person”) carries out a residential conversion by arranging for any of the work of the conversion to be done by another (“a contractor”),
- (b) the relevant person’s carrying out of the conversion is lawful and otherwise than in the course or furtherance of any business,
- (c) the contractor is not acting as an architect, surveyor or consultant or in a supervisory capacity, and
- (d) VAT is chargeable on services consisting in the work done by the contractor,

the Commissioners shall, on a claim made in that behalf, refund to the relevant person the amount of VAT so chargeable.

(1D) For the purposes of this section works constitute a residential conversion to the extent that they consist in the conversion of a non-residential building, or a non-residential part of a building, into—

- (a) a building designed as a dwelling or a number of dwellings;
- (b) a building intended for use solely for a relevant residential purpose; or
- (c) anything which would fall within paragraph (a) or (b) above if different parts of a building were treated as separate buildings.”

^{F1}(2)

(3) After subsection (3) of that section there shall be inserted the following subsections—

“(4) The notes to Group 5 of Schedule 8 shall apply for construing this section as they apply for construing that Group.

(5) The power of the Treasury by order under section 30 to vary Schedule 8 shall include—

- (a) power to apply any variation made by the order for the purposes of this section; and
- (b) power to make such consequential modifications of this section as they may think fit.”

(4) This section applies in relation to any case in which a claim for repayment under section 35 of the ^{M1}Value Added Tax Act 1994 is made at any time on or after the day on which this Act is passed.

Textual Amendments

F1 S. 30(2) omitted (17.7.2012) by virtue of [Finance Act 2012 \(c. 14\)](#), [Sch. 29 para. 13\(a\)](#)

Marginal Citations

M1 1994 c. 23.

Changes to legislation:

There are currently no known outstanding effects for the Finance Act 1996, Section 30.