
 STATUTORY INSTRUMENTS

1985 No.1900

VALUE ADDED TAX

The Value Added Tax (Welfare) Order 1985

<i>Made - - - -</i>	<i>6th December 1985</i>
<i>Laid before the House of Commons</i>	<i>9th December 1985</i>
<i>Coming into Operation</i>	<i>1st January 1986</i>

The Treasury, in exercise of the powers conferred on them by section 17(2) and 48(6) of the Value Added Tax Act 1983 (a) and all other powers enabling them in that behalf, hereby make the following Order:

1. This Order may be cited as the Value Added Tax (Welfare) Order 1985 and shall come into operation on 1st January 1986.

2. Group 7 (health) of Schedule 6 (exemption) to the Value Added Tax Act 1983 shall be varied by adding—

(a) in the heading, after “HEALTH” the words “AND WELFARE”.

(b) the following items:

“9. The supply, otherwise than for profit, by a charity or public body of welfare services and of goods supplied in connection therewith.

10. The supply, otherwise than for profit, of goods and services incidental to the provision of spiritual welfare by a religious community to a resident member of that community in return for a subscription or other consideration paid as a condition of membership.”;

(c) The following notes:

“(5) “Public body” means—

(a) a Government department within the meaning of section 27(4) of this Act;

(b) a local authority within the meaning of section 20(6) of this Act;

(c) a body which acts under any enactment or instrument for public purposes and not for its own profit and which performs functions similar to those of a Government department or local authority.

(6) In item 9 “welfare services” means services which are directly connected with—

(a) the provision of care, treatment or instruction designed to promote the physical or mental welfare of elderly, sick, distressed or disabled persons;

(b) the protection of children and young persons; or

(c) the provision of spiritual welfare by a religious institution as part of a course of instruction or a retreat, not being a course or a retreat designed primarily to provide recreation or a holiday.

(a) 1983 c.55.

(7) Item 9 does not include the supply of accommodation or catering except where it is ancillary to the provision of care, treatment or instruction.”.

T. Garel-Jones,
A. G. Hamilton,
Two of the Lords Commissioners
of Her Majesty's Treasury

6th December 1985.

EXPLANATORY NOTE

(This Note is not part of the Order.)

This Order extends Group 7 of Schedule 6 (Exemptions) of the Value Added Tax Act 1983 to exempt certain welfare supplies by charities and public bodies.

The Order also exempts from VAT the supply of certain goods and services by a religious community to its resident members.

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