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 STATUTORY INSTRUMENTS
 

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## 1986 No. 704

## VALUE ADDED TAX

**The Value Added Tax (Land) Order 1986***Approved by the House of Commons*

<i>Made - - - -</i>	<i>15th April 1986</i>
<i>Laid before the House of Commons</i>	<i>16th April 1986</i>
<i>Coming into Operation</i>	<i>1st November 1986</i>

The Treasury, in exercise of the powers conferred on them by sections 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 (Land) Order 1986 and shall come into operation on 1st November 1986.
2. Item 1 of Group 1 (land) of Schedule 6 (exemptions) to the Value Added Tax Act 1983 shall be varied in accordance with the following provisions.
3. For paragraph (a) there shall be substituted the following—  
“(a) the provision in a hotel, inn, boarding house or similar establishment of sleeping accommodation or of accommodation in rooms which are provided in conjunction therewith or for the purpose of a supply of catering;”.
4. There shall be added after paragraph (a) the following—  
“(aa) the provision in a house, flat, caravan or houseboat of holiday accommodation;”.
5. There shall be added the following note—  
“(4) “Similar establishment” includes premises in which there is provided furnished sleeping accommodation, whether with or without the provision of board or facilities for the preparation of food, which are used by or held out as being suitable for use by visitors or travellers.”.

*Donald Thompson,*  
*A. G. Hamilton,*  
Two of the Lords Commissioners  
of Her Majesty's Treasury.

15th April 1986.

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 (a) 1983 c.55.

## EXPLANATORY NOTE

*(This Note is not part of the Order.)*

This Order amends Group 1 of Schedule 6 to the Value Added Tax Act 1983 with effect from 1 November 1986.

Article 3 substitutes a revised exception (*a*) to the exemption under item 1 of Group 1 and restricts the taxation of accommodation in a hotel, inn, boarding house or similar establishment to the provision of sleeping accommodation, and of rooms (such as bathrooms and suites) supplied with it, and to the provision of rooms supplied for the purpose of catering.

Article 4 re-states, but as a separate exception (*aa*), the existing provision for taxing the supply of holiday accommodation in a house, flat, caravan or houseboat hitherto covered in exception (*a*) to item 1 of this Group.

Article 5 adds a new Note (4) to the Group which extends the meaning of "similar establishment" in exception (*a*) to ensure that the provision of accommodation in certain service flats used by visitors or travellers is taxable on the same basis as accommodation in hotels, inns and boarding houses.

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