

1988 No. 507

VALUE ADDED TAX

The Value Added Tax (Confectionery) Order 1988

Approved by the House of Commons

<i>Made - - - -</i>	<i>15th March 1988</i>
<i>Laid before the House of Commons</i>	<i>15th March 1988</i>
<i>Coming into force</i>	<i>1st May 1988</i>

The Treasury, in exercise of the powers conferred on them by sections 16(4) and 48(6) of the Value Added Tax Act 1983^(a) and of all other powers enabling them in that behalf, hereby make the following Order:

1. This Order may be cited as the Value Added Tax (Confectionery) Order 1988 and shall come into force on 1st May 1988.

2. Group 1 of Schedule 5^(b) to the Value Added Tax Act 1983 shall be varied by:—

(a) substituting for excepted item no. 2—

“2. Confectionery, not including cakes or biscuits other than biscuits wholly or partly covered with chocolate or with some product similar in taste and appearance.”; and

(b) adding at the end of Note (5)—

“, and for the purposes of item 2 of the excepted items “confectionery” includes chocolates, sweets and biscuits; drained, glacé or crystallized fruits; and any item of sweetened prepared food which is normally eaten with the fingers”.

*Tony Durant
David Lightbown*

15th March 1988

Two of the Lords Commissioners of Her Majesty's Treasury

^(a) 1983 c.55.

^(b) Group 1 was modified by paragraph 1 of Schedule 6 to the Finance Act 1984 (c.43).

EXPLANATORY NOTE

(This note is not part of the Order)

This Order amends Group 1 of Schedule 5 to the Value Added Tax Act 1983 in relation to confectionery. It removes certain uncertainties and, while maintaining relief for cakes, restricts the scope of the relief for other confectionery products which are not wholly or partly covered with chocolate or with some product similar in taste and appearance. The main immediate effect will be to tax all cereal bars at the standard rate.

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