
STATUTORY INSTRUMENTS

1993 No. 763

VALUE ADDED TAX

The Value Added Tax (Education) Order 1993

<i>Made</i>	- - - -	<i>16th March 1993</i>
<i>Laid before the House of Commons</i>	- - - -	<i>16th March 1993</i>
<i>Coming into force</i>	- -	<i>1st April 1993</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(1) 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 (Education) Order 1993 and shall come into force on 1st April 1993.

2. Group 6 (Education) of Schedule 6 to the Value Added Tax Act 1983(2) shall be varied in accordance with the following provisions of this Order.

3. For note (2) there shall be substituted the following—

“(2) “School” in items 1, 2 and 3 means an institution which, within the meaning of the Education Acts 1944 to 1992, the Education (Scotland) Act 1980(3), the Education and Libraries (Northern Ireland) Order 1986(4), or the Education Reform (Northern Ireland) Order 1989(5), provides primary or secondary education or both, and which—

- (a) either is provisionally or finally registered or deemed to be registered as a school within the meaning of the aforesaid legislation, in a register of independent schools or is a school in respect of which grants are made by the Secretary of State to the proprietor or managers; or
- (b) is a voluntary school within the meaning of the Education and Libraries (Northern Ireland) Order 1986; or
- (c) is a grant-maintained integrated school within the meaning of Article 65 of the Education Reform (Northern Ireland) Order 1989.”

4. For note (3A) there shall be substituted the following—

(1) 1983 c. 55.
(2) Group 6 was varied by S.I. 1987/1259, S.I. 1988/1282 and S.I. 1989/267.
(3) 1980 c. 44.
(4) S.I. 1986/594 (N.I. 3).
(5) S.I. 1989/2406 (N.I. 20).

- “(3A) For the purposes of item 1 above “eligible institution” means—
- (a) an institution falling within section 91(3)(a) or (b) or section 91(5)(b) or (c) of the Further and Higher Education Act 1992(6);
 - (b) a designated institution as defined in section 44(2) of the Further and Higher Education (Scotland) Act 1992(7);
 - (c) an institution managed by a board of management as defined in section 36(1) of the Further and Higher Education (Scotland) Act 1992;
 - (d) an institution to which grants are paid by the Department of Education for Northern Ireland under Article 66(2) of the Education and Libraries (Northern Ireland) Order 1986.”

5. For item 7 there shall be substituted the following—

“7. The provision of training or retraining for any trade, profession or employment and the supply of any goods or services essential thereto by the person providing the training or retraining, where the consideration payable is ultimately a charge to funds provided pursuant to arrangements made under section 2 of the Employment and Training Act 1973(8) or section 1A of the Employment and Training Act (Northern Ireland) 1950(9).”.

6. After note (6) there shall be added the following note—

- “(7) For the purposes of item 7—
- (a) a supply of any goods or services shall not be taken to be essential to the provision of training or retraining unless the goods or services in question are provided directly to the trainee;
 - (b) training or retraining includes the provision of work experience.”.

Tim Wood
Nicholas Baker

Two of the Lords Commissioners of Her
Majesty’s Treasury

16th March 1993

(6) 1992 c. 13.
(7) 1992 c. 37.
(8) 1973 c. 50; section 2 was substituted by section 25 of the Employment Act 1988 (c. 19)
(9) 1950 c. 29 (N.I.); section 1A was inserted by Article 24 of the Industrial Relations (Northern Ireland) Order 1987 (S.I. 1987/936 (N.I. 9)) and amended by Article 3 of the Employment and Training (Amendment) (Northern Ireland) Order 1988 (S.I. 1988/1087 (N.I. 10)).

EXPLANATORY NOTE

(This note is not part of the Order)

This Order, which comes into force on 1st April 1993, widens the scope of exemption under Group 6 of Schedule 6 to the Value Added Tax Act 1983 (c. 55) to—

- (a) reflect the revised arrangements for the provision and funding of further education by virtue of the Further and Higher Education Act 1992 (c. 13) and Further and Higher Education (Scotland) Act 1992 (c. 37). Those further education institutions leaving local authority control are now “eligible institutions” within item 1; and
- (b) extend the relief to all supplies of training and retraining (including work experience) and the supply of goods and services essential thereto, provided as part of a government funded training programme.