
STATUTORY INSTRUMENTS

1994 No. 3013

The Value Added Tax (Buildings and Land) Order 1994

2. Schedule 10 to the Value Added Tax Act 1994 shall be amended as follows—
- (a) in paragraph 2—
 - (i) in sub-paragraph (1) for the words “(2) and (3)” there shall be substituted “(2), (3) and (3A)”;
 - (ii) after sub-paragraph (3) there shall be inserted—
 - “(3A) Sub-paragraph (1) above shall not apply in relation to a grant made on or after 30th November 1994 if—
 - (a) the person making the grant and the person to whom the grant is made are connected persons; and
 - (b) either of them is not a fully taxable person.”;
 - (b) in paragraph 3, after sub-paragraph (8) there shall be inserted—
 - “(8A) For the purposes of paragraph 2 above—
 - (a) any question whether a person is connected with another shall be determined in accordance with section 839 of the Taxes Act⁽¹⁾; and
 - (b) a person is a fully taxable person if at the end of the prescribed accounting period of his in which the grant is made he is entitled to credit for input tax on all supplies to, and acquisitions and importations by, him in that period (apart from any on which input tax is excluded from credit by virtue of section 25(7)).”.

(1) Section 96(1) of the Value Added Tax Act 1994 defines “the Taxes Act” as meaning the Income and Corporation Taxes Act 1988 (c. 1).