
STATUTORY INSTRUMENTS

1995 No. 2518

The Value Added Tax Regulations 1995

PART X

TRADING STAMPS

Interpretation of Part X

76. In this Part, “promoter”, “trading stamp” and “trading stamp scheme” have the same meanings respectively as in the Trading Stamps Act 1964(1) or, as the case may require, the Trading Stamps Act (Northern Ireland) 1965(2).

Trading stamp scheme

77. Section 19(5) of the Act, in its application to a supply of goods in exchange for trading stamps under a trading stamp scheme, shall be modified by the substitution, for the reference to the amount there specified, of a reference to the amount that would fall to be taken as the value of any such supply under subsection (2) of that section if it were for a consideration in money calculated by the method prescribed in regulation 78.

78. The method of calculating the consideration referred to in regulation 77 shall be as follows—

- (a) there shall be ascertained—
 - (i) the total amount of money charged by the promoter, over such period as may be appropriate, to persons to whom he makes deliveries of trading stamps which are, under any Order made under section 5(3) of the Act, to be treated as neither supplies of goods nor supplies of services; plus
 - (ii) the total of all charges made by the promoter in connection with supplies of goods made in exchange for trading stamps in that period; less
 - (iii) the total amount paid in that period by the promoter to persons in respect of trading stamps redeemed for cash; less
 - (iv) if the amount charged includes consideration for the supply by the promoter of goods or services other than those which he undertakes to supply in exchange for trading stamps, such amount as fairly represents the value of the supply of those other goods or services;
- (b) there shall also be ascertained the total number of trading stamps delivered by the promoter in the same period reduced by—
 - (i) the total number of trading stamps redeemed for cash in that period, and
 - (ii) the number of trading stamps that fairly represents, for that period, the average number of trading stamps not redeemed;

(1) 1964 c. 71 .
(2) 1965 c. 6 .

- (c) the average amount charged for each trading stamp, according to its denomination, delivered by the promoter in the same period shall be calculated by reference to the amount of money ascertained in accordance with paragraph (a) above and to the number of trading stamps ascertained in accordance with paragraph (b) above,

and accordingly the consideration for the supply of any goods in exchange for trading stamps shall be deemed to be an amount equal to the amount, calculated in accordance with this regulation, charged for the trading stamps required in exchange for such supply.

79. For the purposes of regulation 78, any amount charged by a promoter to a person to whom he makes deliveries of trading stamps and determined by reference to the number of trading stamps delivered shall be deemed to be charged for trading stamps.

80. This Part shall not apply in any case where a promoter makes a charge for any supply of goods or services to a person to whom he delivers trading stamps which is not determined by reference to the number of trading stamps delivered.