

STATUTORY INSTRUMENTS

1995 No. 2518

The Value Added Tax Regulations 1995

[^{F1}PART 15A

GOODS USED FOR NON-BUSINESS PURPOSES DURING THEIR ECONOMIC LIFE

[^{F1}Interpretation of this Part

116B.—(1) In this Part—

“full cost of the goods” means the full cost of the goods to the person (being the person making the relevant supply or any of his predecessors) who, in relation to the VAT on the goods mentioned in paragraph 5(5) of Schedule 4 to the Act, is described in that paragraph as being entitled to—

- (a) credit under sections 25 and 26 of the Act; or
- (b) a repayment under the scheme made under section 39 of the Act;

[^{F2}but, in relation to any goods which are relevant assets, the full cost shall exclude any costs on which VAT was incurred on or after 1 January 2011;]

“goods” includes land forming part of the assets of, or held or used for the purposes of, a business which is treated as goods for the purposes of paragraph 5 of Schedule 4 to the Act by virtue of paragraph 9 of that Schedule and references to goods being held or used for the purposes of a business shall be construed accordingly;

“predecessor” has the same meaning as it does in paragraph 5 of Schedule 4 to the Act.

[^{F3}“relevant asset” has the same meaning as it has in section 24(5B) of the Act.]

(2) In this Part, references to a period of time comprising a number of months shall be computed to two decimal places where that period does not comprise a whole number of months.]

Textual Amendments

- F1** Pt. 15A inserted (1.11.2007) by [The Value Added Tax \(Amendment\) \(No. 7\) Regulations 2007 \(S.I. 2007/3099\)](#), regs. 1(2)(b), **4**
- F2** Words in reg. 116B(1) inserted (1.1.2011) by [The Value Added Tax \(Amendment\) \(No. 4\) Regulations 2010 \(S.I. 2010/3022\)](#), regs. 1(1), **15(a)**
- F3** Words in reg. 116B inserted (1.1.2011) by [The Value Added Tax \(Amendment\) \(No. 4\) Regulations 2010 \(S.I. 2010/3022\)](#), regs. 1(1), **15(b)**

Changes to legislation:

There are currently no known outstanding effects for the The Value Added Tax Regulations 1995, Section 116B.