
STATUTORY INSTRUMENTS

2010 No. 2924

VALUE ADDED TAX

**The Value Added Tax (Imported Gas,
Electricity, Heat and Cooling) Relief Order 2010**

Made - - - - *8th December 2010*
Laid before the House of
Commons - - - - *9th December 2010*
Coming into force - - *1st January 2011*

The Treasury make the following Order in exercise of the powers conferred by section 37(1) of the Value Added Tax Act 1994(1).

It appears to the Treasury that it is expedient to make this Order having regard to the need to conform with Article 143(1)(l) of Council Directive 2006/112/EC(2).

Citation, commencement and effect

1.—(1) This Order may be cited as the Value Added Tax (Imported Gas, Electricity, Heat and Cooling) Relief Order 2010.

(2) This Order comes into force on 1st January 2011 and has effect in relation to goods imported on or after that date.

Commencement Information

II Art. 1 in force at 1.1.2011, see [art. 1\(2\)](#)

Revocation of the Value Added Tax (Imported Gas and Electricity) Relief Order 2004

2. The Value Added Tax (Imported Gas and Electricity) Relief Order 2004(3) is revoked.

(1) 1994 c. 23.

(2) OJ No L 347, 11.12.06, p1; this Directive was amended by Directive 2009/162/EU, OJ No L 10, 15.1.10, p14; there are other amending Directives but none is relevant.

(3) S.I. 2004/3147.

Changes to legislation: There are currently no known outstanding effects for the *The Value Added Tax (Imported Gas, Electricity, Heat and Cooling) Relief Order 2010*. (See end of Document for details)

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Commencement Information

I2 Art. 2 in force at 1.1.2011, see [art. 1\(2\)](#)

Relief from value added tax

3. The VAT chargeable on the importation ^{F1}... of—
- (a) gas—
 - (i) through a natural gas system or any network connected to such a system, or
 - (ii) fed in from a vessel transporting gas into a natural gas system or any upstream pipeline network,
 - (b) electricity, or
 - (c) heat or cooling supplied through a network,
- shall not be payable.

F1 Words in [art. 3](#) omitted (31.12.2020) by virtue of [The Value Added Tax \(Miscellaneous Amendments and Revocations\) \(EU Exit\) Regulations 2019](#) (S.I. 2019/59), regs. 1, [85\(2\)](#); S.I. 2020/1641, reg. 2, Sch.

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Commencement Information

I3 Art. 3 in force at 1.1.2011, see [art. 1\(2\)](#)

Michael Fabricant
Angela Watkinson
Two of the Lords Commissioners of Her
Majesty's Treasury

EXPLANATORY NOTE

(This note is not part of the Order)

This Order, which comes into force on 1st January 2011, revokes and replaces the Value Added Tax (Imported Gas and Electricity) Relief Order 2004 (“the revoked order”).

Council Directive [2006/112/EC](#) (OJ No L 347, 11.12.06, p1) (“the Principal VAT Directive”) establishes a common system of value added tax applicable throughout the European Union.

Article 143(1)(l) of the Principal VAT Directive was amended by Council Directive 2009/162/EU (OJ No L 10, 15.01.10, p14) with effect from 15th January 2010. Member states are required to transpose the amendment with effect from 1st January 2011.

Prior to the amendment Article 143(1)(l) exempted the importation of gas and electricity from a place outside the EU from the charge to VAT which would otherwise arise under Article 2(1)(d) of that Directive. The importation of gas was described as being through the natural gas distribution system. Following amendment the importation of gas is described as being through a natural gas system or any network connected to it, or fed in from a vessel transporting gas into a natural gas system or any upstream pipeline network. In addition Article 143(1)(l) now also exempts the importation of heat or cooling through a network. The description relating to the importation of electricity has not been materially changed.

The revoked order relieves VAT on importations from outside the EU of gas through the natural gas distribution network and of electricity.

This Order revokes and replaces the revoked order and relieves from VAT importations from outside the EU of the following: gas through a natural gas system or any network connected to it, or fed in from a vessel transporting natural gas into a natural gas system or any upstream pipeline network, electricity and heat or cooling supplied through a network.

A full regulatory impact assessment has not been produced for this instrument as no impact on the private or voluntary sectors is foreseen.

Changes to legislation:

There are currently no known outstanding effects for the The Value Added Tax (Imported Gas, Electricity, Heat and Cooling) Relief Order 2010.