STATUTORY INSTRUMENTS

1975 No. 745

VALUE ADDED TAX

The Value Added Tax (Boats and Outboard Motors) Order 1975

Made - - - -	*5th May* 1975
Laid before the House of Commons	*7th May* 1975
Coming into Operation	*1st June* 1975

The Treasury, in exercise of the powers conferred on them by sections 3(6) and 14 of the Finance Act 1972**(a)**, hereby make the following Order:—

Citation, commencement and interpretation

1. This Order may be cited as the Value Added Tax (Boats and Outboard Motors) Order 1975 and shall come into operation on 1st June 1975.

2.—(1) The Interpretation Act 1889**(b)** shall apply for the interpretation of this Order as it applies for the interpretation of an Act of Parliament.

(2) In this Order "input tax", "tax", "taxable person" and "the Commissioners" have the same meanings as in Part I of the Finance Act 1972.

Relief for second-hand boats and outboard motors

3.—(1) Except as otherwise provided by the following paragraphs of this Article, Article 4 of this Order shall apply to the supply of a used boat or of a used outboard motor by a taxable person where he has acquired it under—

(*a*) a supply on which no tax was chargeable; or

(*b*) a supply on which tax was chargeable in accordance with Article 4 of this Order; or

(*c*) a transaction which was treated by virtue of an Order under section 5(7) of the Finance Act 1972 as being neither a supply of goods nor a supply of services.

(2) Article 4 does not apply to a supply which is a letting on hire.

(3) Article 4 does not apply to a supply if an invoice or similar document showing an amount as being tax or as being attributable to tax is issued in respect of the supply.

(a) 1972 c. 41. **(b)** 1889 c. 63.

(4) Article 4 does not apply to any supply by a taxable person unless he keeps such records and accounts as the Commissioners may specify in a notice published by them for the purposes of this Order or may recognise as sufficient for those purposes.

4. Where this Article applies, tax shall be charged as if the supply of the used boat or of the used outboard motor were for a consideration equal to the excess of—

(*a*) the consideration for which it is supplied; over

(*b*) the consideration for which it was acquired;

and accordingly shall not be charged unless there is such an excess.

Disallowance of input tax

5. Where Article 4 of this Order applies to a supply, tax on the supply shall not be deducted as input tax under section 3 of the Finance Act 1972.

M. Cocks,
James A. Dunn,
Two of the Lords Commissioners of Her Majesty's Treasury

5th May 1975.

EXPLANATORY NOTE

(*This Note is not part of the Order.*)

This Order provides, subject to specified conditions, for the tax chargeable on the supply (otherwise than by hiring) of a used boat or a used outboard motor by a taxable person to be charged only on the excess, if any, of the price which that person obtains for the boat or outboard motor, as the case may be, over the price which he gave for it.

SI 1975/745
ISBN 0-11-050745-2

