



# Value Added Tax Act 1994

## 1994 CHAPTER 23

### PART I

#### THE CHARGE TO TAX

#### *Imposition and rate of VAT*

#### 1 Value added tax.

- (1) Value added tax shall be charged, in accordance with the provisions of this Act—
- (a) on the supply of goods or services in the United Kingdom (including anything treated as such a supply),
  - <sup>F1</sup>(b) .....
  - <sup>F2</sup>(c) on the importation of goods into the United Kingdom,]
- and references in this Act to VAT are references to value added tax.
- (2) VAT on any supply of goods or services is a liability of the person making the supply and (subject to provisions about accounting and payment) becomes due at the time of supply.
- <sup>F3</sup>(3) .....
- (4) VAT on the importation of goods [<sup>F4</sup>into the United Kingdom] shall be charged and payable as if it were [<sup>F5</sup>import duty].

#### Textual Amendments

- F1** S. 1(1)(b) omitted (31.12.2020) by virtue of [Taxation \(Cross-border Trade\) Act 2018 \(c. 22\), ss. 41\(2\)\(a\), 57\(3\)](#) (with savings and transitional provisions in [S.I. 2019/105](#) (as amended by [S.I. 2020/1495](#), [regs. 1\(2\), 21](#)), [S.I. 2020/1545, Pt. 4](#) and [2020 c. 26, Sch. 2 para. 7\(7\)-\(9\)](#)); [S.I. 2020/1642, reg. 4\(b\)](#) (with [reg. 7](#))
- F2** S. 1(1)(c) substituted (28.1.2019 for specified purposes, 31.12.2020 in so far as not already in force) by [Taxation \(Cross-border Trade\) Act 2018 \(c. 22\), ss. 41\(2\)\(b\), 57\(3\)](#) (with savings and transitional

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- provisions in S.I. 2019/105 (as amended by S.I. 2020/1495, regs. 1(2), **21**), S.I. 2020/1545, **Pt. 4** and 2020 c. 26, **Sch. 2 para. 7(7)-(9)**); S.I. 2019/104, **reg. 2**; S.I. 2020/1642, **reg. 4(b)** (with reg. 7)
- F3** S. 1(3) omitted (31.12.2020) by virtue of Taxation (Cross-border Trade) Act 2018 (c. 22), s. 57(3), **Sch. 8 para. 2(2)** (with Sch. 8 para. 99) (with savings and transitional provisions in S.I. 2019/105 (as amended by S.I. 2020/1495, regs. 1(2), **21**), S.I. 2020/1545, **Pt. 4** and 2020 c. 26, **Sch. 2 para. 7(7)-(9)**); S.I. 2020/1642, **reg. 4(b)** (with reg. 7)
- F4** Words in s. 1(4) substituted (31.12.2020) by Taxation (Cross-border Trade) Act 2018 (c. 22), s. 57(3), **Sch. 8 para. 2(3)(a)** (with Sch. 8 para. 99) (with savings and transitional provisions in S.I. 2019/105 (as amended by S.I. 2020/1495, regs. 1(2), **21**), S.I. 2020/1545, **Pt. 4** and 2020 c. 26, **Sch. 2 para. 7(7)-(9)**); S.I. 2020/1642, **reg. 4(b)** (with reg. 7)
- F5** Words in s. 1(4) substituted (31.12.2020) by Taxation (Cross-border Trade) Act 2018 (c. 22), s. 57(3), **Sch. 8 para. 2(3)(b)** (with Sch. 8 para. 99) (with savings and transitional provisions in S.I. 2019/105 (as amended by S.I. 2020/1495, regs. 1(2), **21**), S.I. 2020/1545, **Pt. 4** and 2020 c. 26, **Sch. 2 para. 7(7)-(9)**); S.I. 2020/1642, **reg. 4(b)** (with reg. 7)

**2 Rate of VAT.**

- (1) Subject to the following provisions [<sup>F6</sup>and to the provisions of section 29A] of this section <sup>F7</sup>..., VAT shall be charged at the rate of [<sup>F8</sup>20 per cent] and shall be charged—
  - (a) on the supply of goods or services, by reference to the value of the supply as determined under this Act; and
  - <sup>F9</sup>(b) .....
  - (c) on the importation of goods <sup>F10</sup>..., by reference to the value of the goods as determined under this Act.

<sup>F11</sup>(1A) .....

<sup>F11</sup>(1B) .....

<sup>F12</sup>(1C) .....

- (2) The Treasury may by order increase or decrease the rate of VAT for the time being in force [<sup>F13</sup>under this section] by such percentage thereof not exceeding 25 per cent. as may be specified in the order, but any such order [<sup>F14</sup>that has not previously expired or been revoked] shall cease to be in force at the expiration of a period of one year from the date on which it takes effect, unless continued in force by a further order under this subsection.
- (3) In relation to an order made under subsection (2) above to continue, vary or replace a previous order, the reference in that subsection to the rate for the time being in force [<sup>F13</sup>under this section] is a reference to the rate which would be in force if no order under that subsection had been made.

**Textual Amendments**

- F6** Words in s. 2(1) inserted (11.5.2001 with effect as mentioned in s. 99(7)(a) of the amending Act) by 2001 c. 9, s. 99(2)
- F7** Words in s. 2(1) omitted (1.5.1995 with application as mentioned in s. 21(6) of the amending Act) by virtue of 1995 c. 4, s. 21(2)
- F8** Words in s. 2(1) substituted (27.7.2010) by Finance (No. 2) Act 2010 (c. 31), s. 3(1)
- F9** S. 2(1)(b) omitted (31.12.2020) by virtue of Taxation (Cross-border Trade) Act 2018 (c. 22), s. 57(3), **Sch. 8 para. 3(a)** (with Sch. 8 para. 99) (with savings and transitional provisions in S.I. 2019/105 (as

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amended by S.I. 2020/1495, regs. 1(2), 21), S.I. 2020/1545, Pt. 4 and 2020 c. 26, Sch. 2 para. 7(7)-(9)); S.I. 2020/1642, reg. 4(b) (with reg. 7)

- F10** Words in s. 2(1)(c) omitted (31.12.2020) by virtue of Taxation (Cross-border Trade) Act 2018 (c. 22), s. 57(3), **Sch. 8 para. 3(b)** (with Sch. 8 para. 99) (with savings and transitional provisions in S.I. 2019/105 (as amended by S.I. 2020/1495, regs. 1(2), 21), S.I. 2020/1545, Pt. 4 and 2020 c. 26, **Sch. 2 para. 7(7)-(9)**); S.I. 2020/1642, **reg. 4(b)** (with reg. 7)
- F11** S. 2(1A)(1B) repealed (11.5.2001 with effect as mentioned in s. 99(7) of the amending Act) by 2001 c. 9, ss. 99(3), 110, **Sch. 33 Pt. 3(1)** Note 2
- F12** S. 2(1C) repealed (1.11.2001) by 2001 c. 9, ss. 99(3), 110, **Sch. 33 Pt. 3(1)** Note 1
- F13** Words in s. 2(2)(3) inserted (11.5.2001 with effect as mentioned in s. 99(9)(a) of the amending Act) by 2001 c. 9, s. 99, Sch. 31 para. 2
- F14** Words in s. 2(2) inserted (with effect in accordance with Sch. 3 para. 11 of the amending Act) by Finance Act 2009 (c. 10), **Sch. 3 para. 25(2)**

#### Modifications etc. (not altering text)

- C1** S. 2(1) modified (1.12.2008) by The Value Added Tax (Change of Rate) Order 2008 (S.I. 2008/3020), arts. 1, 3

### 3 Taxable persons and registration.

- (1) A person is a taxable person for the purposes of this Act while he is, or is required to be, registered under this Act.
- (2) [<sup>F15</sup>Schedules 1 to 3A] shall have effect with respect to registration [<sup>F16</sup>(and see also Parts 8 and 9 of Schedule 9ZA which contain further provisions about registration)].
- (3) Persons registered under any of those Schedules [<sup>F17</sup>and Part 8 and 9 of Schedule 9ZA] shall be registered in a single register kept by the Commissioners for the purposes of this Act; and, accordingly, references in this Act to being registered under this Act are references to being registered under any of those Schedules [<sup>F18</sup>or those Parts].
- (4) The Commissioners may by regulations make provision as to the inclusion and correction of information in that register with respect to the Schedule under which any person is registered.

#### Textual Amendments

- F15** Words in s. 3(2) substituted (28.7.2000 with effect as mentioned in s. 136(10) of the amending Act) by 2000 c. 17, s. 136(1)
- F16** Words in s. 3(2) inserted (17.12.2020 for specified purposes, 31.12.2020 in so far as not already in force) by Taxation (Post-transition Period) Act 2020 (c. 26), s. 11(1)(e), **Sch. 2 para. 3(a)** (with Sch. 2 para. 7(7)-(9)); S.I. 2020/1642, **reg. 9**
- F17** Words in s. 3(3) inserted (17.12.2020 for specified purposes, 31.12.2020 in so far as not already in force) by Taxation (Post-transition Period) Act 2020 (c. 26), s. 11(1)(e), **Sch. 2 para. 3(b)(i)** (with Sch. 2 para. 7(7)-(9)); S.I. 2020/1642, **reg. 9**
- F18** Words in s. 3(3) inserted (17.12.2020 for specified purposes, 31.12.2020 in so far as not already in force) by Taxation (Post-transition Period) Act 2020 (c. 26), s. 11(1)(e), **Sch. 2 para. 3(b)(ii)** (with Sch. 2 para. 7(7)-(9)); S.I. 2020/1642, **reg. 9**

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**F19 3A Supplies of electronic, telecommunication and broadcasting services: special accounting schemes**

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**Textual Amendments**

**F19** S. 3A omitted (31.12.2020) by virtue of Taxation (Cross-border Trade) Act 2018 (c. 22), s. 57(3), **Sch. 8 para. 4** (with Sch. 8 para. 99) (with savings and transitional provisions in S.I. 2019/105 (as amended by S.I. 2020/1495, regs. 1(2), **21**), S.I. 2020/1545, **Pt. 4** and 2020 c. 26, **Sch. 2 para. 7(7)-(9)**); S.I. 2020/1642, **reg. 4(b)** (with reg. 7)

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