

Changes to legislation: There are currently no known outstanding effects for the Value Added Tax Act 1994, Group 1 — Supplies of domestic fuel or power. (See end of Document for details)

SCHEDULES

^{F1}SCHEDULE 7A

CHARGE AT REDUCED RATE

Textual Amendments

- F1** Sch. 7A inserted (11.5.2001 with effect as mentioned in s. 99(7)(a) of the amending Act) by 2001 c. 9, s. 99(5)(7)(a), **Sch. 31 Pt. 1 para. 1**

PART 2

THE GROUPS

Modifications etc. (not altering text)

- C1** Sch. 7A Pt. 2 modified (30.6.2008) by [The Value Added Tax \(Reduced Rate\) \(Smoking Cessation Products\) Order 2008 \(S.I. 2008/1410\)](#), arts. 13
- C1** [Sch. 7A Pt. 2](#) modifications by 2020 SI 728, art. 4 continued (with effect in accordance with s. 93(5)-(10) of the amending Act) by [Finance Act 2021 \(c. 26\)](#), s. **93(1)**

GROUP 1 — SUPPLIES OF DOMESTIC FUEL OR POWER

ITEM NO.

- 1 Supplies for qualifying use of—
- coal, coke or other solid substances held out for sale solely as fuel;
 - coal gas, water gas, producer gases or similar gases;
 - petroleum gases, or other gaseous hydrocarbons, whether in a gaseous or liquid state;
 - fuel oil, gas oil or kerosene; or
 - electricity, heat or air-conditioning.

NOTES:

Matters included or not included in the supplies

- 1 (1) Item 1(a) shall be deemed to include combustible materials put up for sale for kindling fires but shall not include matches.
- (2) Item 1(b) and (c) shall not include any road fuel gas (within the meaning of the Hydrocarbon Oil Duties Act 1979 (c. 5)) on which a duty of excise has been charged or is chargeable.

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- (3) Item 1(d) shall not include hydrocarbon oil on which a duty of excise has been or is to be charged without relief from, or rebate of, such duty by virtue of the provisions of the Hydrocarbon Oil Duties Act 1979 [F¹, unless the oil is—
- (a) kerosene in respect of which a relevant declaration has been made under section 13AC(3) of that Act (use of rebated kerosene for private pleasure-flying); [F²or]
 - (b) [F²oil in respect of which a relevant declaration has been made under section 14E(3) of that Act (use of rebated heavy oil for private pleasure craft)]

Textual Amendments

- F1** Words in Sch. 7A Pt. 2 Group 1 Note 1(3) inserted (1.11.2008) by [The Value Added Tax \(Reduced Rate\) \(Supplies of Domestic Fuel or Power\) Order 2008 \(S.I. 2008/2676\)](#), arts. 1, 2
- F2** Sch. 7A Group 1 Note 1(3)(b) and word omitted (1.10.2021 for N.I.) by virtue of [Finance Act 2020 \(c. 14\)](#), [Sch. 11 paras. 15, 18](#); [S.I. 2021/740](#), reg. 3 (with reg. 1(2))

Meaning of “fuel oil”, “gas oil” and “kerosene”

- 2 (1) In this Group “fuel oil” means heavy oil which contains in solution an amount of asphaltenes of not less than 0.5 per cent. or which contains less than 0.5 per cent. but not less than 0.1 per cent. of asphaltenes and has a closed flash point not exceeding 150°C.
- (2) In this Group “gas oil” means heavy oil of which not more than 50 per cent. by volume distils at a temperature not exceeding 240°C and of which more than 50 per cent. by volume distils at a temperature not exceeding 340°C.
- (3) In this Group “kerosene” means heavy oil of which more than 50 per cent. by volume distils at a temperature not exceeding 240°C.
- (4) In this paragraph “heavy oil” has the same meaning as in the Hydrocarbon Oil Duties Act 1979.

Meaning of “qualifying use”

- 3 In this Group “qualifying use” means—
- (a) domestic use; or
 - (b) use by a charity otherwise than in the course or furtherance of a business.

Supplies only partly for qualifying use

- 4 For the purposes of this Group, where there is a supply of goods partly for qualifying use and partly not—
- (a) if at least 60 per cent. of the goods are supplied for qualifying use, the whole supply shall be treated as a supply for qualifying use; and
 - (b) in any other case, an apportionment shall be made to determine the extent to which the supply is a supply for qualifying use.

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Supplies deemed to be for domestic use

- 5 For the purposes of this Group the following supplies are always for domestic use—
- (a) a supply of not more than one tonne of coal or coke held out for sale as domestic fuel;
 - (b) a supply of wood, peat or charcoal not intended for sale by the recipient;
 - (c) a supply to a person at any premises of piped gas (that is, gas within item 1(b), or petroleum gas in a gaseous state, provided through pipes) where the gas (together with any other piped gas provided to him at the premises by the same supplier) was not provided at a rate exceeding 150 therms a month or, if the supplier charges for the gas by reference to the number of kilowatt hours supplied, 4397 kilowatt hours a month;
 - (d) a supply of petroleum gas in a liquid state where the gas is supplied in cylinders the net weight of each of which is less than 50 kilogrammes and either the number of cylinders supplied is 20 or fewer or the gas is not intended for sale by the recipient;
 - (e) a supply of petroleum gas in a liquid state, otherwise than in cylinders, to a person at any premises at which he is not able to store more than two tonnes of such gas;
 - (f) a supply of not more than 2,300 litres of fuel oil, gas oil or kerosene;
 - (g) a supply of electricity to a person at any premises where the electricity (together with any other electricity provided to him at the premises by the same supplier) was not provided at a rate exceeding 1000 kilowatt hours a month.

Other supplies that are for domestic use

- 6 For the purposes of this Group supplies not within paragraph 5 are for domestic use if and only if the goods supplied are for use in—
- (a) a building, or part of a building, that consists of a dwelling or number of dwellings;
 - (b) a building, or part of a building, used for a relevant residential purpose;
 - (c) self-catering holiday accommodation;
 - (d) a caravan; or
 - (e) a houseboat.

Interpretation of paragraph 6

- 7 (1) For the purposes of this Group, “use for a relevant residential purpose” means use as—
- (a) a home or other institution providing residential accommodation for children,
 - (b) a home or other institution providing residential accommodation with personal care for persons in need of personal care by reason of old age, disablement, past or present dependence on alcohol or drugs or past or present mental disorder,
 - (c) a hospice,
 - (d) residential accommodation for students or school pupils,
 - (e) residential accommodation for members of any of the armed forces,
 - (f) a monastery, nunnery or similar establishment, or

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- (g) an institution which is the sole or main residence of at least 90 per cent. of its residents,
except use as a hospital, a prison or similar institution or an hotel or inn or similar establishment.
- (2) For the purposes of this Group “self-catering holiday accommodation” includes any accommodation advertised or held out as such.
- (3) In paragraph 6 “houseboat” means a boat or other floating decked structure designed or adapted for use solely as a place of permanent habitation and not having means of, or capable of being readily adapted for, self-propulsion.

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