

SCHEDULES

SCHEDULE 26

CATEGORISATION OF SUPPLIES

PART 2

EXEMPT SUPPLIES

Land: self storage and facilities to supply hairdressing services

- 5 (1) In Part 2 of Schedule 9 to VATA 1994 (exemptions), Group 1 (land) is amended as follows.
- (2) In item 1, after paragraph (k) insert—
“(ka) the grant of facilities for the self storage of goods;”.
- (3) In that item, omit “and” at the end of paragraph (m) and after that paragraph insert—
“(ma) the grant of facilities to a person who uses the facilities wholly or mainly to supply hairdressing services; and”.
- (4) In that item, in paragraph (n), for “(m)” substitute “(ma)”.
- (5) After Note (15) insert—
“(15A) In paragraph (ka)—
“facilities for the self storage of goods” means the use of a relevant structure for the storage of goods by the person (or persons) to whom the grant of facilities is made, and
“goods” does not include live animals.
(15B) For the purposes of Note (15A), use by a person with the permission of the person (or any of the persons) to whom the grant of facilities is made counts as use by the person (or persons) to whom that grant is made.
(15C) A grant of facilities for the self storage of goods does not fall within paragraph (ka) if—
(a) the person making the grant (“P”)—
(i) is doing so in circumstances where the relevant structure used is, or forms part of, a relevant capital item, and
(ii) is connected with any person who uses that relevant structure for the self storage of goods,
(b) the grant is made to a charity which uses the relevant structure solely otherwise than in the course of a business, or
(c) in a case where the relevant structure is part of a building, its use for the storage of goods by the person (or persons) to whom

Status: This is the original version (as it was originally enacted).

the grant is made is ancillary to other use of the building by that person (or those persons).

(15D) In Notes (15A) and (15C) “relevant structure” means the whole or part of—

- (a) a container or other structure that is fully enclosed, or
- (b) a unit or building.

(15E) In Note (15C)(a)(i) “relevant capital item” means a capital item which—

- (a) is subject to adjustments of input tax deduction by P under regulations made under section 26(3), and
- (b) has not yet reached the end of its prescribed period of adjustment.”

(6) After Note (16) insert—

“(17) Paragraph (ma) does not apply to a grant of facilities which provides for the exclusive use, by the person to whom the grant is made, of a whole building, a whole floor, a separate room or a clearly defined area, unless the person making the grant or a person connected with that person provides or makes available (directly or indirectly) services related to hairdressing for use by the person to whom the grant is made.

(18) For the purposes of Note (17)—

- (a) “services related to hairdressing” means the services of a hairdresser’s assistant or cashier, the booking of appointments, the laundering of towels, the cleaning of the facilities subject to the grant, the making of refreshments and other similar services typically used in connection with hairdressing, but does not include the provision of utilities or the cleaning of shared areas in a building, and
- (b) it does not matter if the services related to hairdressing are shared with other persons.

(19) For the purposes of Notes (15C) and (17) any question whether a person is connected with any other person is to be determined in accordance with section 1122 of the Corporation Tax Act 2010 (connected person).”