

1973 No. 293

VALUE ADDED TAX
The Value Added Tax (Trading Stamps) Regulations 1973

Made 26th February 1973

Laid before the House of Commons 6th March 1973

Coming into Operation 1st April 1973

The Commissioners of Customs and Excise, in exercise of the powers conferred upon them by section 29 of the Finance Act 1972(a) and of all other powers enabling them in that behalf, hereby make the following Regulations:—

1. These Regulations may be cited as the Value Added Tax (Trading Stamps) Regulations 1973 and shall come into operation on 1st April 1973.

2.—(1) In these Regulations, “promoter”, “trading stamp” and “trading stamp scheme” have the same meaning as in the Trading Stamps Act 1964(b) or, as the case may be, the Trading Stamps Act (Northern Ireland) 1965(c).

(2) The Interpretation Act 1889(d) shall apply for the interpretation of these Regulations as it applies for the interpretation of an Act of Parliament.

3. Section 10(5) of the Finance Act 1972 in its application to a supply of goods in exchange for trading stamps under a trading stamp scheme shall be modified by the substitution for the reference to the amount there specified of a reference to the amount that would fall to be taken as the value of any such supply under subsection (2) of that section if it were for a consideration in money calculated by the method prescribed in Regulation 4 of these Regulations.

4. The method of calculating the consideration referred to in the preceding Regulation shall be as follows:—

(a) There shall be ascertained the total amount of money charged by the promoter, over such period as may be appropriate, to persons to whom he makes deliveries of trading stamps which are, under any Order made under section 5(7)(c) of the Finance Act 1972, to be treated as

(a) 1972 c. 41.
(c) 1965 c. 6 (N.I.)

(b) 1964 c. 71.
(d) 1889 c. 63.

neither supplies of goods nor supplies of services, increased by the total of all charges made by the promoter in connection with supplies of goods made in exchange for trading stamps in that period and reduced by the total amount paid in that period by the promoter to persons in respect of trading stamps redeemed for cash, and further reduced, if the amount charged includes consideration for the supply by the promoter of goods or services other than those which he undertakes to supply in exchange for trading stamps, by such amount as fairly represents the value of the supply of those other goods or services;

(b) There shall also be ascertained the total number of trading stamps delivered by the promoter in the same period reduced by (i) the total number of trading stamps redeemed for cash in that period, and (ii) the number of trading stamps that fairly represents, for that period, the average number of trading stamps not redeemed;

(c) The average amount charged for each trading stamp, according to its denomination, delivered by the promoter in the same period shall be calculated by reference to the amount of money ascertained in accordance with paragraph (a) above and to the number of trading stamps ascertained in accordance with paragraph (b) above:

and accordingly the consideration for the supply of any goods in exchange for trading stamps shall be deemed to be an amount equal to the amount, calculated in accordance with this Regulation, charged for the trading stamps required in exchange for such supply.

5. For the purposes of the preceding Regulation, any amount charged by a promoter to a person to whom he makes deliveries of trading stamps and determined by reference to the number of trading stamps delivered shall be deemed to be charged for trading stamps.

6. These Regulations shall not apply in any case where a promoter makes a charge for any supply of goods or services to a person to whom he delivers trading stamps which is not determined by reference to the number of trading stamps delivered.

26th February 1973.

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EXPLANATORY NOTE

(This Note is not part of the Regulations.)

These Regulations make special provision for the valuation for value added tax purposes of goods supplied under trading stamp schemes.

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