
STATUTORY INSTRUMENTS

1995 No. 2518

The Value Added Tax Regulations 1995

PART XVII

NEW MEANS OF TRANSPORT

Interpretation of Part XVII

146. In this Part—

“claim” means a claim for a refund of VAT made pursuant to section 40 of the Act and “claimant” shall be construed accordingly;

“competent authority” means an authority having powers under the laws in force in any member State to register a vehicle for road use in that member State;

“first entry into service” in relation to a new means of transport means the time determined in relation to that means of transport under regulation 147;

“registration” means registration for road use in a member State corresponding in relation to that member State to registration in accordance with the Vehicles Excise and Registration Act 1994(1).

First entry into service of a means of transport

147. —

(1) For the purposes of section 95 of the Act a means of transport is to be treated as having first entered into service—

(a) in the case of a ship or aircraft—

(i) when it is delivered from its manufacturer to its first purchaser or owner, or on its first being made available to its first purchaser or owner, whichever is the earlier, or

(ii) if its manufacturer takes it into use for demonstration purposes, on its being first taken into such use, and

(b) in the case of a motorised land vehicle—

(i) on its first registration for road use by the competent authority in the member State of its manufacture or when a liability to register for road use is first incurred in the member State of its manufacture, whichever is the earlier,

(ii) if it is not liable to be registered for road use in the member State of its manufacture, on its removal by its first purchaser or owner, or on its first delivery or on its being made available to its first purchaser, whichever is the earliest, or

(iii) if its manufacturer takes it into use for demonstration purposes, on its first being taken into such use.

(2) Where the times specified in paragraph (1) above cannot be established to the Commissioners' satisfaction, a means of transport is to be treated as having first entered into service on the issue of an invoice relating to the first supply of the means of transport.

Notification of acquisition of new means of transport by non-taxable persons and payment of VAT

148. —

(1) Where—

- (a) a taxable acquisition of a new means of transport takes place in the United Kingdom,
- (b) the acquisition is not in pursuance of a taxable supply, and
- (c) the person acquiring the goods is not a taxable person at the time of the acquisition,

the person acquiring the goods shall notify the Commissioners of the acquisition within 7 days of the time of the acquisition or the arrival of the goods in the United Kingdom, whichever is the later.

(2) The notification shall be in writing in the English language and shall contain the following particulars—

- (a) the name and current address of the person acquiring the new means of transport,
- (b) the time of the acquisition,
- (c) the date when the new means of transport arrived in the United Kingdom,
- (d) a full description of the new means of transport which shall include any registration mark allocated to it by any competent authority in another member State prior to its arrival in the United Kingdom and any chassis, hull or airframe identification number and engine number,
- (e) the consideration for the transaction in pursuance of which the new means of transport was acquired,
- (f) the name and address of the supplier in the member State from which the new means of transport was acquired,
- (g) the place where the new means of transport can be inspected, and
- (h) the date of notification.

(3) The notification shall include a declaration, signed by the person who is required to make the notification or a person authorised in that behalf in writing, that all the information entered in it is true and complete.

(4) The notification shall be made at, or sent to, any office designated by the Commissioners for the receipt of such notifications.

(5) Any person required to notify the Commissioners of an acquisition of a new means of transport shall pay the VAT due upon the acquisition at the time of notification or within 30 days of the Commissioners issuing a written demand to him detailing the VAT due and requesting payment.

Refunds in relation to new means of transport

149. A claimant shall make his claim in writing no earlier than one month and no later than 14 days prior to making the supply of the new means of transport by virtue of which the claim arises.

150. The claim shall be made at, or sent to, any office designated by the Commissioners for the receipt of such claims.

151. The claim shall contain the following information—

- (a) the name, current address and telephone number of the claimant,

- (b) the place where the new means of transport is kept and the times when it may be inspected,
- (c) the name and address of the person who supplied the new means of transport to the claimant,
- (d) the price paid by the claimant for the supply to him of the new means of transport excluding any VAT,
- (e) the amount of any VAT paid by the claimant on the supply to him of the new means of transport,
- (f) the amount of any VAT paid by the claimant on the acquisition of the new means of transport from another member State or on its importation from a place outside the member States,
- (g) the name and address of the proposed purchaser, the member State to which the new means of transport is to be removed, and the date of the proposed purchase,
- (h) the price to be paid by the proposed purchaser,
- (i) a full description of the new means of transport including, in the case of motorised land vehicles, its mileage since its first entry into service and, in the case of ships and aircraft, its hours of use since its first entry into service,
- (j) in the case of a ship, its length in metres,
- (k) in the case of an aircraft, its take-off weight in kilograms,
- (l) in the case of a motorised land vehicle powered by a combustion engine, its displacement or cylinder capacity in cubic centimetres, and in the case of an electrically propelled motorised land vehicle, its maximum power output in kilowatts, described to the nearest tenth of a kilowatt, and
- (m) the amount of the refund being claimed.

152. The claim shall be accompanied by the following documents—

- (a) the invoice issued by the person who supplied the new means of transport to the claimant or such other documentary evidence of purchase as is satisfactory to the Commissioners,
- (b) in respect of a new means of transport imported from a place outside the member States by the claimant, documentary evidence of its importation and of the VAT paid thereon, and
- (c) in respect of a new means of transport acquired by the claimant from another member State, documentary evidence of the VAT paid thereon.

153. The claim shall include a declaration, signed by the claimant or a person authorised by him in that behalf in writing, that all the information entered in or accompanying it is true and complete.

154. The claim shall be completed by the submission to the Commissioners of—

- (a) the sales invoice or similar document identifying the new means of transport and showing the price paid by the claimant's customer, and
- (b) documentary evidence that the new means of transport has been removed to another member State.

Supplies of new means of transport to persons departing to another member State

155. The Commissioners may, on application by a person who is not taxable in another member State and who intends—

- (a) to purchase a new means of transport in the United Kingdom, and
- (b) to remove that new means of transport to another member State,

permit that person to purchase a new means of transport without payment of VAT, for subsequent removal to another member State within 2 months of the date of supply and its supply, subject to such conditions as they may impose, shall be zero-rated.