

2001 No. 753

VALUE ADDED TAX

The Value Added Tax (Passenger Vehicles) Order 2001

Made - - - - - 7th March 2001

*Laid before the House of
Commons - - - - - 7th March 2001*

Coming into force - - - - - 1st April 2001

The Treasury, in exercise of the powers conferred on them by sections 30(4) and 96(9) of the Value Added Tax Act 1994^(a) and of all other powers enabling them in that behalf, hereby make the following Order:

1. This Order may be cited as the Value Added Tax (Passenger Vehicles) Order 2001 and shall come into force on 1st April 2001 and shall have effect in relation to supplies made on or after that date.

2. In paragraph (a) of item 4 of Group 8^(b) (Transport) of Schedule 8 to the Value Added Tax Act 1994 (zero rating) for “12” there shall be substituted “10”.

3. After Note (4C) there shall be inserted—

“(4D) Item 4(a) includes the transport of passengers in a vehicle—

- (a) which is designed, or substantially and permanently adapted, for the safe carriage of a person in a wheelchair or two or more such persons, and
- (b) which, if it were not so designed or adapted, would be capable of carrying no less than 10 persons.”.

7th March 2001

Jim Dowd
Greg Pope
Two of the Lords Commissioners
of Her Majesty’s Treasury

^(a) 1994 c.23.

^(b) Group 8 amended by S.I. 1994/3014, 1995/653, 1995/3039 and S.I. 1999/1820.

EXPLANATORY NOTE

(This note is not part of the Order)

This Order, which comes into force on 1st April 2001, amends Group 8 of Schedule 8 to the Value Added Tax Act 1994 (c. 23) (“the Act”).

Fares for passenger transport are zero-rated if the passengers are transported in vehicles, ships or aircraft which have a minimum number of seats.

This Order reduces the minimum number of seats from 12 to 10.

The Order also allows zero-rating to apply where passengers are transported in vehicles which, but for the fact that they have been designed or adapted for wheelchair users, would have been capable of carrying 10 or more passengers.

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