
STATUTORY INSTRUMENTS

2020 No. 1312

**EXITING THE EUROPEAN UNION
VALUE ADDED TAX**

**The Value Added Tax (Miscellaneous Amendments
to Acts of Parliament) (EU Exit) Regulations 2020**

Approved by the House of Commons

Made - - - - 18th November 2020

Laid before the House of

Commons - - - - 19th November 2020

Coming into force in accordance with regulation 1

The Treasury make these Regulations in exercise of the powers conferred by sections 51(1)(a), 51(3)(a) and 52(2) of the Taxation (Cross-border Trade) Act 2018 ^{M1}.

In accordance with section 51(1) of that Act, the Treasury consider it appropriate in consequence of, or otherwise in connection with, the withdrawal of the United Kingdom from the EU, to make the following provision in relation to value added tax. In accordance with section 52(2) of that Act, the Treasury consider it appropriate in consequence of, or otherwise in connection with, the withdrawal of the United Kingdom from the EU, for these Regulations to come into force on such day or days as the Treasury may by regulations under section 52 of that Act appoint.

Marginal Citations

M1 2018 c. 22; section 51(1)(a) permits “the appropriate Minister” to make provision relating to value added tax and under section 51(4)(b) “the appropriate Minister” means the Treasury.

Citation and commencement

1. These Regulations may be cited as the Value Added Tax (Miscellaneous Amendments to Acts of Parliament) (EU Exit) Regulations 2020 and come into force on such day or days as the Treasury may by regulations under section 52 of the Taxation (Cross-border Trade) Act 2018 appoint.

Commencement Information

II Reg. 1 in force at 31.12.2020 by [S.I. 2020/1641](#), reg. 2, [Sch.](#)

Amendment of the Taxation (Cross-border Trade) Act 2018

2. In Schedule 8 to the Taxation (Cross-border Trade) Act 2018 (VAT amendments), in paragraph 94(4), omit paragraph (c).

Commencement Information

I2 Reg. 2 in force at 31.12.2020 by [S.I. 2020/1641](#), reg. 2, [Sch.](#)

Amendment of Group 8 of Schedule 8 to the Value Added Tax Act 1994

3. Group 8 of Schedule 8 to the Value Added Tax Act 1994 ^{M2} (zero rating: transport) is amended as follows.

Commencement Information

I3 Reg. 3 in force at 31.12.2020 by [S.I. 2020/1641](#), reg. 2, [Sch.](#)

Marginal Citations

M2 1994 c. 23. Item 4 of Group 8, Schedule 8 was amended by [S.I. 2001/753](#) and section 22(1) of the [Finance \(No. 3\) Act 2010 \(c. 33\)](#). Item 6 of and Note (6) to Group 8, Schedule 8 were amended by [S.I. 2002/1173](#).

4. In Item 4, in paragraph (a), omit “, ship or aircraft”.

Commencement Information

I4 Reg. 4 in force at 31.12.2020 by [S.I. 2020/1641](#), reg. 2, [Sch.](#)

5. For Item 6 substitute—

- “6 Any services provided for—
- (a) the handling of ships, aircraft or railway vehicles—
 - (i) in a port, customs and excise airport or international railway area, or
 - (ii) outside the United Kingdom;
 - (b) the handling or storage—
 - (i) in a port,
 - (ii) on land adjacent to a port,
 - (iii) in a customs and excise airport,
 - (iv) in an international railway area, or
 - (v) in a temporary storage facility,
- of goods carried in a ship, aircraft or railway vehicle.”

Commencement Information

I5 Reg. 5 in force at 31.12.2020 by [S.I. 2020/1641](#), [reg. 2](#), [Sch.](#)

6. After that Item insert—

“**6ZA** Any services provided in an airport that is not a customs and excise airport for—

- (a) the handling of an aircraft, or
- (b) the handling or storage of goods carried in an aircraft,

provided that the aircraft is of a type mentioned in paragraph (b)(i) of Note (A1).”.

Commencement Information

I6 Reg. 6 in force at 31.12.2020 by [S.I. 2020/1641](#), [reg. 2](#), [Sch.](#)

7. After Note (4) insert—

“(4ZA) “Vehicle” has the same meaning as in the Management Act^{M3}”.

Commencement Information

I7 Reg. 7 in force at 31.12.2020 by [S.I. 2020/1641](#), [reg. 2](#), [Sch.](#)

Marginal Citations

M3 “The Management Act” is defined in section 96(1) of the Value Added Tax Act 1994 as meaning the [Customs and Excise Management Act 1979 \(c. 2\)](#). The definition of “vehicle” in section 1 of that Act was replaced by a new definition substituted by paragraph 4(2)(1) of Schedule 7 to the Taxation (Cross-border Trade) Act 2018 with effect from a day to be appointed.

8. For Note (6) substitute—

“(6) In Item 6—

- (a) “port” and “temporary storage facility” have the same meanings as in the Management Act;
- (b) “international railway area” means—
 - (i) any place which may be designated as a railway customs area by virtue of section 26(1ZB) of the Management Act^{M4}, or
 - (ii) such other place relating to international rail travel as may be specified in a notice published by the Commissioners;
- (c) “railway vehicle” has the same meaning as in section 83 of the Railways Act 1993^{M5}”.

Commencement Information

I8 Reg. 8 in force at 31.12.2020 by [S.I. 2020/1641](#), reg. 2, **Sch.**

Marginal Citations

M4 Section 26(1ZB) of the Customs and Excise Management Act 1979 was inserted by paragraph 18(3) of Schedule 7 to the Taxation (Cross-border Trade) Act 2018 with effect from a day to be appointed.

M5 “Railway vehicle” is defined in section 83 of the [Railways Act 1993](#) (c. 43).

9. After that Note insert—

“(6ZA) “Customs and excise airport” has the same meaning as in the Management Act.”.

Commencement Information

I9 Reg. 9 in force at 31.12.2020 by [S.I. 2020/1641](#), reg. 2, **Sch.**

Amendment of Group 5 of Schedule 9 to the Value Added Tax Act 1994

10. In Group 5 of Schedule 9 to the Value Added Tax Act 1994^{M6} (exemptions: finance), in Note (6), in the definition of “qualifying pension fund”, in paragraph (e), omit “or in a member State”.

Commencement Information

I10 Reg. 10 in force at 31.12.2020 by [S.I. 2020/1641](#), reg. 2, **Sch.**

Marginal Citations

M6 The definition of “qualifying pension fund” in Note (6) to Group 5, Schedule 9 of the Value Added Tax Act 1994 was inserted by [S.I. 2020/209](#).

James Morris
Maggie Throup
Two of the Lords Commissioners of Her
Majesty's Treasury

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations amend the Taxation (Cross-border Trade) Act 2018 (c. 22: “TCTA”) and the Value Added Tax Act 1994 (c. 23: “VATA”) for the purpose of making changes that are appropriate in consequence of, or otherwise in connection with, the withdrawal of the United Kingdom from the EU. The provisions will come into force on a day or days to be appointed by the Treasury in further regulations.

Regulation 2 omits paragraph 94(4)(c) of Schedule 8 to TCTA which was superseded by the Value Added Tax (Tour Operators) (Amendment) (EU Exit) Regulations 2019 (S.I. 2019/73). That instrument replaced Item 12, Group 8 of Schedule 8 to VATA with a new provision.

Regulations 3 to 9 amend Group 8 of Schedule 8 to VATA by making provision in connection with the United Kingdom's exit from the EU as follows: (a) extending the zero rate of VAT to apply to supplies of certain services made in relation to the handling of international trains and the handling of goods carried in such trains, (b) making additional provision in relation to services supplied in airports that are not customs and excise airports and (c) bringing certain terms and definitions in line with changes made to the Customs and Excise Management Act 1979 (c. 2) by TCTA.

Regulation 10 makes a change to the definition of “qualifying pension fund” in Group 5 of Schedule 9 to VATA which is necessary in consequence of the withdrawal of the United Kingdom from the EU.

A Tax Information and Impact Note covering this instrument will be published on the website at <https://www.gov.uk/government/collections/tax-information-and-impact-notes-tiins>.

Changes to legislation:

There are currently no known outstanding effects for the The Value Added Tax (Miscellaneous Amendments to Acts of Parliament) (EU Exit) Regulations 2020.