
STATUTORY INSTRUMENTS

2021 No. 886

The Social Security (Scotland) Act 2018 (Disability Assistance, Young Carer Grants, Short-term Assistance and Winter Heating Assistance) (Consequential Provision and Modifications) Order 2021

PART 2

Disability assistance: England and Wales, Scotland and Northern Ireland

Disability assistance: amendments relating to taxation as regards motor vehicles

Amendment of the Finance Act 1994

7.—(1) The Finance Act 1994⁽¹⁾ is amended as follows.

(2) In Schedule 7A (insurance premium tax: contracts that are not taxable)⁽²⁾, in paragraph 3 (contracts relating to motor vehicles for use by handicapped persons)—

- (a) in sub-paragraph (2)(a), for “or of a mobility supplement” substitute “, or of a mobility supplement or of disability assistance for children and young people by virtue of entitlement to the mobility component”,
- (b) in sub-paragraph (3)—
 - (i) at the end of paragraph (b), omit “or”,
 - (ii) at the end of paragraph (c), omit the comma and insert—
“; or
 - (d) the Scottish Ministers,”,
 - (iii) in the full-out, for “or mobility supplement” substitute “, mobility supplement or disability assistance for children and young people”,
- (c) at the end of sub-paragraph (4)(c), for the full stop substitute a semi-colon,
- (d) after sub-paragraph (4)(c), insert—
“(d) “disability assistance for children and young people” means a category of disability assistance specifically for children and young people given in accordance with regulations made under section 31 of the Social Security (Scotland) Act 2018.”.

⁽¹⁾ 1994 c.9.

⁽²⁾ Schedule 7A was added by article 5 of [SI 1994/1698](#), and relevantly amended by [S.I. 2002/1397](#) and section 201 of the Finance Act [2013 \(c.29\)](#).

Amendment of the Vehicle Excise and Registration Act 1994

- 8.**—(1) The Vehicle Excise and Registration Act 1994⁽³⁾ is amended as follows.
- (2) In Schedule 2 (exempt vehicles), in paragraph 19 (vehicles for disabled people)⁽⁴⁾—
- (a) after sub-paragraph (2)(aa) insert—
- “(aaa) that person, in accordance with regulations made under section 31 of the Social Security (Scotland) Act 2018, is in receipt of disability assistance for children and young people by virtue of entitlement to the mobility component at the higher rate,”
- (b) after sub-paragraph (4) insert—
- “(4A) For the purposes of sub-paragraph (1) a vehicle is deemed to be registered under this Act in the name of a disabled person who satisfies sub-paragraph (2) by virtue of paragraph (aaa) of that sub-paragraph if it is so registered in the name of—
- (a) a person appointed under section 58, 85A or 85B of the Social Security (Scotland) Act 2018⁽⁵⁾ in relation to the person,
- (b) a person nominated for the purposes of this paragraph by the person or the person so appointed, or
- (c) any other person who has legal authority to act on behalf of the person.”.

Amendment of the Value Added Tax Act 1994

- 9.**—(1) The Value Added Tax Act 1994⁽⁶⁾ is amended as follows.
- (2) In Schedule 8 (zero-rating), in Group 12 (drugs, medicines, aids for the disabled, etc.)⁽⁷⁾—
- (a) in item 14, for “or of mobility supplement” substitute “, of mobility supplement or of disability assistance for children and young people by virtue of entitlement to the mobility component”,
- (b) in Note (6)(b)—
- (i) for “or the Ministry of Defence”, substitute “, the Ministry of Defence or the Scottish Ministers”,
- (ii) for “or mobility supplement” substitute “, mobility supplement or the mobility component of disability assistance for children and young people”,
- (c) in Note (7), after paragraph (aa), insert—
- “(aaa) “disability assistance for children and young people” means a category of disability assistance specifically for children and young people given in accordance with regulations made under section 31 of the Social Security (Scotland) Act 2018;”.

Amendment of the Capital Allowances Act 2001

- 10.**—(1) The Capital Allowances Act 2001⁽⁸⁾ is amended as follows.

(3) 1994 c.22.

(4) Paragraph 19 was relevantly amended by paragraph 6 of Schedule 37 to the Finance Act 2013 (c.29).

(5) 2018 asp 9; section 85A added by section 1(2) of the Social Security Administration and Tribunal Membership (Scotland) Act 2020 asp 18 and section 85B was added by section 2(4) of that Act.

(6) 1994 c.23.

(7) Schedule 8 was relevantly amended by S.I. 2013/601 and the Finance Act 2017 (c.10).

(8) 2001 c.2.

- (2) In section 268D (hire cars for disabled persons)(**9**), after subsection (2)(aa), insert—
- “(aaa) a category of disability assistance, given in accordance with regulations made under section 31 of the Social Security (Scotland) Act 2018, because of entitlement to a mobility component,”.

(9) Section 268D was added by paragraph 22 of Schedule 11(1) to the Finance Act 2009 (c.10), and relevantly amended by section 72(1) of the Finance Act 2013 (c.29).