
STATUTORY INSTRUMENTS

2023 No. 1006

VALUE ADDED TAX

The Value Added Tax (Drugs and Medicines) Order 2023

Made - - - - *14th September 2023*
Laid before the House of
Commons - - - - *18th September 2023*
Coming into force - - *9th October 2023*

The Treasury make this Order in exercise of the powers conferred by sections 30(4) and 96(9) of the Value Added Tax Act 1994⁽¹⁾.

Citation, commencement and effect

1.—(1) This Order may be cited as the Value Added Tax (Drugs and Medicines) Order 2023 and comes into force on 9th October 2023.

(2) The modifications made by article 2 have effect in relation to supplies made on or after 9th October 2023 and before 1st April 2027.

Modification of Schedule 8 to the Value Added Tax Act 1994

2.—(1) In Schedule 8 to the Value Added Tax Act 1994⁽²⁾ (zero-rating), Group 12 (drugs, medicines, aids for the disabled, etc.) has effect as if—

(a) after item 1 there were inserted—

“**1A.** The supply of qualifying goods to an individual where the goods are supplied to the individual—

(a) for the individual’s personal use,

(b) in accordance with a patient group direction issued under the Human Medicines Regulations 2012⁽³⁾ (S.I. 2012/1916), and

(c) either—

(1) 1994 c. 23. Section 96(9) was amended by section 99(6) of, and paragraph 5 of Schedule 31 to, the Finance Act 2001 (c. 9).
(2) Group 12 was relevantly amended by paragraphs 4 and 7(a) and (c) of Schedule 7 to the Finance Act 2017 (c. 10) and paragraphs 1 and 94(1) and (5)(a) of Schedule 8 to the Taxation (Cross-border Trade) Act 2018 (c. 22). Group 12 was also amended by S.I. 1995/652, 1997/2744, 2006/1914, 2009/2972, 2012/1909 and 2013/349; there are other amending instruments but none is relevant.
(3) S.I. 2012/1916; relevant amending instruments are S.I. 2013/235, 2015/323, 2015/1503, 2016/186, 2018/199, 2018/378, 2019/775, 2020/1488, 2020/1594, 2021/1452, 2022/350 and 2022/634.

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- (i) by a registered pharmacist, or
- (ii) in accordance with a requirement or authorisation under a relevant provision.”;
- (b) in Notes (1), (2A), (2C), (2D) and (5A), for “item 1” there were substituted “items 1 and 1A”;
- (c) after Note (2D) there were inserted—
 - “(2E) In item 1A “patient group direction” has the meaning given in regulation 213 of the Human Medicines Regulations 2012.”.

14th September 2023

Andrew Stephenson
Stuart Anderson
Two of the Lords Commissioners of His
Majesty's Treasury

EXPLANATORY NOTE

(This note is not part of the Order)

This Order applies a temporary zero-rate of value added tax to the supply of drugs and medicines in the UK to a person for personal use in accordance with a patient group direction made under the Human Medicines Regulations 2012 (S.I. 2012/1916) for a fixed period from 9th October 2023 up to and including 31st March 2027.

Article 1 sets out the citation and commencement date of this Order, and the period for which the modifications made by the Order will have effect.

Article 2 temporarily modifies Group 12 of Schedule 8 to the Value Added Tax Act 1994 (c. 23), so it should be read as if a new item and notes were temporarily inserted which together describe the goods supplied in accordance with a patient group direction that will attract the temporary zero-rate.

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