

Statutory Document No. 0103/13

*Value Added Tax Act 1996*

## VALUE ADDED TAX (AMENDMENT) REGULATIONS 2013

<i>Laid before Tynwald:</i>	<i>16 April 2013</i>
<i>Coming into Operation:</i>	<i>15 April 2013</i>

The Treasury makes the following Regulations under section 95(1) of, and paragraph 2(4) to (5D)<sup>1</sup> of Schedule 12 to, the Value Added Tax Act 1996.

### 1 Title

These Regulations are the Value Added Tax (Amendment) Regulations 2013.

### 2 Commencement

These Regulations come into operation on 15 April 2013.

### 3 Amendment of the Value Added Tax Regulations 1996

- (1) The Value Added Tax Regulations 1996<sup>2</sup> are amended as follows.
- (2) For the heading to Part XVII substitute **“MEANS OF TRANSPORT”**.
- (3) In the heading to regulation 148 (notification of acquisition of new means of transport by non-taxable persons and payment of VAT) for “means of transport” substitute **“ships and new aircraft”**.
- (4) In regulation 148 –
  - (a) wherever it appears, for “means of transport” substitute **“ship or new aircraft”**;
  - (b) in paragraph (1) for “7” substitute **“14”**;
  - (c) in paragraph (2)(d) omit “registration mark allocated to it by any competent authority in a member State prior to its arrival in the Isle of Man and United Kingdom and any chassis,”; and
  - (d) after paragraph (4) insert –

<sup>1</sup> Sub-paragraphs (5A) to (5D) were inserted by SD 0588/12

<sup>2</sup> SD 194/96

- 63(4A) A person required to notify under paragraph (1) may authorise a third party to notify on that person's behalf. 62.
- (5) The changes made by this regulation do not have effect in relation to the arrival on or before 14 April 2013 in the Island of a new means of transport that is a motorised land vehicle<sup>3</sup>.
- (6) After regulation 148, insert —

**63 148A Notification of the arrival in the Island of land vehicles and payment of VAT**

- (1) This regulation applies to a means of transport that is a motorised land vehicle (see section 95 of, and paragraph 2(5D) of Schedule 12 to, the Act (“a land vehicle”).
- (2) In this regulation “an excepted relevant person” means a relevant person (see paragraph 2(5D) of Schedule 12 to the Act) who is —
- (a) bringing a land vehicle into the Isle of Man and United Kingdom that has been supplied to him or her by a person who has the approval of the Secretary of State to register and licence that land vehicle in the United Kingdom in accordance with Parts I and II of the Vehicle Excise and Registration Act 1994 (an Act of Parliament)<sup>4</sup> using a secure registration and licensing system (whether automated or paper based);
  - (b) importing a land vehicle into the Isle of Man and United Kingdom and who is not a taxable person acting as such in relation to the arrival of the land vehicle in the Isle of Man and United Kingdom;
  - (c) bringing a land vehicle into the Island that —
    - (i) is not required to be registered for road use in the Island in accordance with the Licensing and Registration of Vehicles Act 1985; and
    - (ii) is to remain in the Isle of Man and United Kingdom for a period (continuous or otherwise) of not more than 6 months in any 12 months; or

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<sup>3</sup> Regulation 148 provides for notification of an acquisition of a new means of transport (including a land vehicle) and payment of any acquisition VAT due within specified time periods; these provisions will remain in operation after 15 April 2013 in relation to earlier arrivals of land vehicles that are acquisitions

<sup>4</sup> 1994 c.22 (of Parliament)

- (d) returning to the Isle of Man and United Kingdom in a land vehicle that has remained registered for road use in the Isle of Man or the United Kingdom in accordance with the Vehicle Excise and Registration Act 1994 or, as the case may be, the Licensing and Registration of Vehicles Act 1985 (an Act of Parliament) during the period when it has been outside the Isle of Man and United Kingdom.
- (3) A relevant person other than an excepted relevant person must notify the Treasury of the arrival in the Island of a land vehicle within 14 days of the date of the arrival.
- (4) A person required to notify under paragraph (3) may authorise a third party to notify on that person's behalf.
- (5) The notification shall be made in the English language.
- (6) A notification under paragraph (3) must –
  - (a) contain the particulars listed in paragraph (7);
  - (b) include a declaration by the person required to notify the arrival in the Island or a person authorised on that person's behalf that all the information entered in it is true and complete; and
  - (c) be made at or sent to the Customs and Excise Division of the Treasury.
- (7) The particulars referred to in paragraph (6)(a) are –
  - (a) the name and current address of the person bringing the land vehicle into the Island;
  - (b) the date when the land vehicle arrived in the Isle of Man and United Kingdom;
  - (c) a full description of the land vehicle which shall include any registration mark allocated to it by any competent authority in a member State prior to its arrival and any chassis identification number;
  - (d) where applicable, the registration number of the person bringing the land vehicle into the Island;
  - (e) the date of the notification;
  - (f) in the case of an acquisition arising from a deemed supply under paragraph 6 of Schedule 5 to the Act –
    - (i) the value of the transaction determined in accordance with paragraph 3 of Schedule 8 to the Act; and
    - (ii) details of any relief claimed or to be claimed in relation to the acquisition under Item 2(f) of Group

- 12 of Schedule 9 to the Act (zero rating: drugs, medicines, aids for the handicapped);
- (g) in the case of any other acquisition —
    - (i) the consideration for the transaction in pursuance of which the land vehicle was acquired; and
    - (ii) the name and address of the supplier in the member State from which the land vehicle was acquired;
  - (h) in the case of an import —
    - (i) the price actually paid or payable for the land vehicle including any deposit, commission and fees;
    - (ii) the entry number of customs declaration as defined in paragraph 17 of Article 4 of Council Regulation (EEC) No 2913/92 of 12 October 1992<sup>5</sup>; and
    - (iii) the relevant commodity code entered on the customs declaration; and
  - (i) any other particulars specified in a notice published by the Treasury (which includes such a notice as revised or replaced from time to time).
- (8) Any person required under paragraph (3) to notify the Treasury of an arrival which is an acquisition must pay any VAT due on the acquisition at the time and in the manner prescribed in paragraphs (10) to (13) as appropriate.
- (9) In the case of an import of a land vehicle, any requirements to notify the importation and pay any tax, duty of customs or duty of excise due as may be prescribed in any of the enactments referred to in section 16(1)(a) or (b) of the Act shall apply in addition to any requirements imposed by or under this regulation.
- (10) Where —
- (a) the arrival is a taxable acquisition which takes place in the Island; and
  - (b) the person acquiring the land vehicle is not a taxable person at the time of the acquisition of the land vehicle,
- payment shall be made at the time of notification.
- (11) Where —
- (a) the arrival is a taxable acquisition which takes place in the Island; and
  - (b) the person acquiring the land vehicle is a taxable person at the time of the acquisition of the land vehicle,

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<sup>5</sup> OJ No L302, 19.10.1992, p.1

payment shall be made in accordance with paragraph (13).

- (12) Where the arrival is an acquisition arising from a deemed supply under paragraph 6 of Schedule 5 to the Act, payment shall be made in accordance with paragraph (13).
- (13) Where this regulation applies, payment shall be made in accordance with regulation 40 having been accounted for in the appropriate return required by regulation 25. .

**MADE 13<sup>th</sup> March 2013**

**W E TEARE**  
*Minister for the Treasury*

*EXPLANATORY NOTE**(This note is not part of the Regulations)*

These Regulations amend the Value Added Tax Regulations 1996<sup>6</sup>.

Regulation 3(2) inserts a new heading to Part XVII of the Value Added Tax Regulations 1996.

Regulation 3(4) amends regulation 148 to limit it to the notification of acquisition of new ships and aircraft and make the necessary consequential amendments. It also extends the time for notification from 7 to 14 days after the later of the date of acquisition or the arrival of the goods in the Isle of Man and United Kingdom. As regulation 148 makes provision as to time limits for notification and payment of acquisition VAT due subsequent to an acquisition, regulation 3(5) makes it clear that, although the amendments to regulation 148 will apply to arrivals of any means of transport in the Island and United Kingdom on or after 15 April 2013, arrivals of new land vehicles on or before 14 April 2013 will be covered by the old rules.

Regulation 3(6) inserts a new regulation 148A and provide for a new notification system for the arrival of land vehicles in the Island and to make provision as to how and when any acquisition of VAT due on an arrival is to be paid to the Treasury.

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<sup>6</sup> SD 194/96