

Statutory Document No. 0209/13



*Value Added Tax Act 1996*

## VALUE ADDED TAX (CONSIDERATION FOR FUEL PROVIDED FOR PRIVATE USE) ORDER 2013

*Laid before Tynwald:* 16 April 2013  
*Coming into Operation:* 1 May 2013

The Treasury makes the following Order under section 57(4) to (4A) of the Value Added Tax Act 1996<sup>1</sup>.

### 1 Title

This Order is the Value Added Tax (Consideration for Fuel Provided for Private Use) Order 2013.

### 2 Commencement

This Order comes into operation on 1 May 2013 and has effect for accounting periods beginning on or after that date.

### 3 Amendment of section 57(3) of the Value Added Tax Act 1996

- (1) Section 57(3) of the Value Added Tax Act 1996 (determination of consideration for fuel supplied for private use) is amended as follows.
- (2) For Table A<sup>2</sup> substitute —

**Table**

<i>Description of vehicle: vehicle's CO<sub>2</sub> emissions figure</i>	<i>12 month period £</i>	<i>3 month period £</i>	<i>1 month period £</i>
120 or less	675.00	168.00	56.00
125	1,010.00	253.00	84.00
130	1,080.00	269.00	89.00
135	1,145.00	286.00	95.00

<sup>1</sup> 1996 c.1

<sup>2</sup> Table A was last substituted by SD 197/12

140	1,215.00	303.00	101.00
145	1,280.00	320.00	106.00
150	1,350.00	337.00	112.00
155	1,415.00	354.00	118.00
160	1,485.00	371.00	123.00
165	1,550.00	388.00	129.00
170	1,620.00	404.00	134.00
175	1,685.00	421.00	140.00
180	1,755.00	438.00	146.00
185	1,820.00	455.00	151.00
190	1,890.00	472.00	157.00
195	1,955.00	489.00	163.00
200	2,025.00	506.00	168.00
205	2,090.00	523.00	174.00
210	2,160.00	539.00	179.00
215	2,225.00	556.00	185.00
220	2,295.00	573.00	191.00
225 or more	2,360.00	590.00	196.00

MADE 26<sup>TH</sup> MARCH 2013

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



*EXPLANATORY NOTE*

*(This note is not part of the Order)*

This Order amends section 57 of the Value Added Tax Act 1996.

VAT is payable if road fuel of a business is used for private motoring. Section 56 provides that where the fuel of a business is provided for private use it is to be treated as a taxable supply for consideration. Articles 16 and 74 of Council Directive 2006/112/EC (OJ L347/1 of 11.12.2006) ordinarily requires that, where a business's goods are provided for the private use of the owner or staff, the value of that supply is determined by reference to the purchase price of the goods; however, the Island is permitted to derogate from those Articles where a business's fuel is used for private motoring (Council Decision 659/2006 EC of 25 September 2006 (OJ L272/15 of 3.10.2006)), so that a business may also value those supplies by using a flat rate which is dependent upon the vehicle's CO<sub>2</sub> emissions rating. The derogation requires that the flat-rate amounts be adjusted annually to reflect changes in the average cost of fuel.

The flat-rate amounts determined with reference to the vehicle's CO<sub>2</sub> emissions figure are set out in a table in section 57 ("Table A"). Where no emissions value is available, note (6) in section 57(3) attributes a CO<sub>2</sub> emissions figure to the vehicle according to its cylinder capacity for the purposes of applying Table A.

This Order substitutes a new Table A. The new rates apply to prescribed accounting periods starting on or after 1 May 2013.