

Statutory Document No. 2004/0906

*Value Added Tax Act 1996*

VALUE ADDED TAX (PLACE OF SUPPLY OF GOODS) ORDER 2004¹

Approved by Tynwald: 15 February 2005
Coming into Operation: 1 January 2005

In exercise of the powers conferred on the Treasury by sections 7(11) and 9A of the Value Added Tax Act 1996¹, and of all other powers enabling it in that behalf, the following Order is hereby made: —

PART 1

PRELIMINARY

1 Citation, commencement and interpretation

- (1) This Order may be cited as the Value Added Tax (Place of Supply of Goods) Order 2004 and shall come into operation on 1st January 2005.
- (2) Part 3 (supplies of gas and electricity) has effect in relation to supplies made on or after 1st January 2005.
- (3) In this Order, reference to “a Member State” or “Member States” is to be construed as including reference to the Isle of Man.

2 Rules for determining place of supply

The rules for determining where a supply of goods is made shall be varied in accordance with the following provisions of this Order.

3 Revocation

The Value Added Tax (Place of Supply of Goods) Order 1993² is hereby revoked.

¹ 1996 c.1; Section 9A was inserted by S.D. 548/04 and came into operation on 1st January 2005.

² S.D. No. 69/93.

PART 2²

GOODS SUPPLIED ON BOARD SHIPS, AIRCRAFT AND TRAINS

4 [Revoked]³

5 [Revoked]⁴

6 [Revoked]⁵

7 [Revoked]⁶

8 [Revoked]⁷

PART 3

SUPPLIES GAS, ELECTRICITY, HEATING OR COOLING⁸

9 Interpretation of Part 3

In this Part —

- (a) “the Act” means the Value Added Tax Act 1996;
- (b) “dealer” means a person whose principle activity in respect of receiving supplies of relevant goods is the re-selling of those goods and whose own consumption of those goods is negligible;
- (c) relevant goods” means—
 - (i) gas supplied through a natural gas system situated within Northern Ireland or the territory of a member State or any network connected to such a system,⁹
 - (ia) gas supplied through a natural gas system situated within Great Britain or any network connected to such a system,¹⁰
 - (ii) electricity, and;
 - (iii) heat or cooling supplied through a network;¹¹
- (d) “re-selling” for the purpose of article 9(b) does not include —
 - (i) re-sale as part of a single composition supply of other goods or services, or
 - (ii) re-sale as a supply that falls to be disregarded under section 43(1)(a) of the member of a VAT group;
- (e) “VAT group” means any bodies corporate treated under sections 43A to 43C of the Act as members of a group.

10

Relevant goods supplied to a dealer shall be treated as supplied at the place where that dealer has established his business or has a fixed establishment to which the relevant goods are supplied or, in the absence of such a place of business or fixed establishment, the place where he has his permanent address or usually resides.

11

Subject to articles 12 and 13, supplies of relevant goods not falling within article 10 shall be treated as supplied at —

- (a) the place where the recipient of the supply has effective use and consumption of the goods, or
- (b) in relation to any part of the goods not consumed, the place where the recipient of the supply has established his business or has a fixed business establishment to which the goods are supplied, or in the absence of such place of business or fixed establishment, the place where he has his permanent address or usually resides.

12

Where the recipient of relevant goods supplies those goods as part of a single composite supply of other goods or services, that constitutes effective use consumption by him of the goods for purpose of article 11(a).

13

The supply of relevant goods to a member of a VAT group, where the goods are effectively used and consumed by a member of that group, shall constitute effective use and consumption of the goods for the purpose of article 11(a).

14

For the purposes of section 9A of the Act (reverse charge on gas, electricity, heat or cooling supplied by persons outside the Isle of Man and United Kingdom) a person is outside the Isle of Man and United Kingdom if he has established his business or has a fixed establishment outside the Isle of Man and United Kingdom or, in the absence of such a place of business or fixed establishment, the place where he has his permanent address or usually resides is outside the Isle of Man and United Kingdom.¹²

PART 4¹³

CHAIN TRANSACTIONS

15 [Revoked]¹⁴

16 [Revoked]¹⁵

17 [Revoked]¹⁶

18 [Revoked]¹⁷

MADE 22 DECEMBER 2004



ENDNOTES

Table of Endnote References

¹ The format of this legislation has been changed as provided for under section 75 of, and paragraph 2 of Schedule 1 to, the Legislation Act 2015. The changes have been approved by the Attorney General after consultation with the Clerk of Tynwald as required by section 76 of the Legislation Act 2015.

² Part 2 revoked by SD2021/0294.

³ Art 4 revoked by SD2021/0294.

⁴ Art 5 revoked by SD2021/0294.

⁵ Art 6 revoked by SD2021/0294.

⁶ Art 7 revoked by SD2021/0294.

⁷ Art 8 revoked by SD2021/0294.

⁸ Heading amended by SD05/11, effective in relation to supplies made on or after 01/01/2011.

⁹ Subpara (i) amended by SD2021/0294.

¹⁰ Subpara (ia) inserted by SD2021/0294.

¹¹ Para (c) substituted by SD05/11, effective in relation to supplies made on or after 01/01/2011.

¹² Art 14 amended by SD05/11, effective in relation to supplies made on or after 01/01/2011.

¹³ Part 4 inserted by SD2020/0034, effective in relation to supplies made on or after 06/01/2020 and revoked by SD2021/0294.

¹⁴ Art 15 revoked by SD2021/0294.

¹⁵ Art 16 revoked by SD2021/0294.

¹⁶ Art 17 revoked by SD2021/0294.

¹⁷ Art 18 revoked by SD2021/0294.