

IN THE KEYS

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**VALUE ADDED TAX (AMENDMENT)  
BILL 2008**

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**Explanatory Memorandum**

- 1.** This Bill is promoted by the Treasury. It makes changes to the constitution and procedure of the Value Added Tax and Duties Tribunal for the Island, contained in Schedule 13 to the Value Added Tax Act 1996 as a consequence of the coming into force on 1st April 2009, in the United Kingdom, of the provisions of the Tribunals, Courts and Enforcement Act 2007 (of Parliament). That Act abolishes the VAT and Duties Tribunal there and replaces it (and other appellate bodies relating to tax) with the Tax Chamber of the Tribunal constituted under the 2007 Act.
- 2.** *Clause 1* makes the amendments to Schedule 13 to the 1996 Act. The amendments also make it clear that section 4 of the Tribunals Act 2006 does not apply, despite the fact that the Tribunal is a Part 2 Tribunal for the purposes of that Act.
- 3.** *Clause 2* provides for the Act's short title and commencement.
- 4.** It is not envisaged that the Bill will lead to any increase in administrative or financial burdens on the private sector. The Bill is not expected to increase Government expenditure, and has no implications for the income of the Government.
- 5.** In the view of the member moving the Bill its provisions are compatible with the Convention rights within the meaning of the Human Rights Act 2001.

## **Arrangement of Sections**

### Section

1. Amendment of the Value Added Tax Act 1996
2. Short title and commencement

## A BILL

to amend Schedule 13 to the  
Value Added Tax Act 1996.

**B**E IT ENACTED by the Queen’s Most Excellent Majesty, by  
and with the advice and consent of the Council and Keys in  
Tynwald assembled, and by the authority of the same, as follows:—

1. (1) Schedule 13 to the Value Added Tax Act 1996 is  
amended as follows.

Amendment  
of the Value  
Added Tax  
Act 1996

(2) For paragraph 4 (membership of the Tribunal)  
substitute —

[c. 1]

5 “4. (1) For each sitting of the Tribunal —

(a) the chairman shall be —

10 (i) the Senior President of Tribunals  
appointed under section 2 of the  
Tribunals, Courts and Enforcement Act  
2007 ( of Parliament);

[c. 15]

15 (ii) the President of the chamber, established  
under section 7 of that Act, that deals  
with value added tax appeals in the  
United Kingdom (“the Chamber  
President”); or

(iii) a judge of either the First-tier Tribunal  
or the Upper Tribunal established under  
section 3 of that Act authorised by the  
Chamber President; and

- (b) the other 2 members shall be selected from the panel of Tribunal members constituted under paragraph 5 of this Schedule by the Chamber President or a judge falling within paragraph (a)(iii) authorised by the Chamber President. **5**

[c.1] (2) Section 4 of the Tribunals Act 2006 (constitution of Part 2 tribunals under that Act) does not apply to the VAT and Duties Tribunal.”

(3) In paragraphs 5 and 6 (constitution of panel for tribunal and tribunal rules) for “the President” substitute “the Chamber President”. **10**

Short title and commencement **2.** (1) This Act may be cited as the Value Added Tax (Amendment) Act 2008.

(2) Section 1(2), and subsection (1) of that section to the extent that it relates to that subsection, shall come into operation on 1st April 2009. **15**

(3) Despite subsection (2) for the purposes of appeal hearings to be conducted on or after 1st April 2009 —

- (a) a judge may be authorised under paragraph 4(1)(a)(iii) of Schedule 13 to the Value Added Tax Act 1996 as substituted by section 1(2) of this Act; and **20**

- (b) other members may be selected under paragraph 4(1)(b) of Schedule 13 to that Act as so substituted,

at any time after the passing of this Act. **25**

IN THE KEYS

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**Value Added Tax (Amendment)**

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**A BILL**

*to amend Schedule 13 to the  
Value Added Tax Act 1996.*

Approved by the Council of Ministers for  
introduction in the House of Keys.

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MR. BRAIDWOOD

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OCTOBER 2008

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