



VALUE ADDED TAX ACT 1996

**VALUE ADDED TAX (FINANCIAL SERVICES) (AMENDMENT)
ORDER 2003**

Approved by Tynwald

18th March 2003

Coming into operation

1 April 2003

In exercise of the powers conferred on the Treasury by section 31(2) of the Value Added Tax Act 1996^(a), and of all other powers enabling it in that behalf, the following Order is hereby made:-

Citation, commencement and interpretation

1. (1) This Order may be cited as the Value Added Tax (Financial Services) (Amendment) Order 2003 and shall come into operation on 1st April 2003.

(2) In this order, "the Act" means the Value Added Tax Act 1996.

Amendment

2. Group 5 of Schedule 10 to the Act is amended as follows.

3. For item 9 substitute -

"9. The management of -

(a) an authorised scheme; or

(b) an international scheme, including an experienced investor fund or a professional investor fund (but excluding other schemes exempted under section 11(7) or (11)(b) of the Financial Supervision Act 1988^(b));

by the operator of the scheme.".

4. In Note (6) for "restricted" substitute "international".

5. Add new Note (7) -

"(7) In item 9 -

^(a) 1996 c.1.

^(b) 1988 c.16.

Supervision (Experienced Investor Fund) (Exemption) Order 1999^(c); and

- (b) a “professional investor fund” has the same meaning as in the Financial Supervision (Professional Investor Fund) (Exemption) Order 1999^(d).”.

Made this 17th day of February 2003



Minister for the Treasury

EXPLANATORY NOTE

(This note is not part of the Order)

This Order amends Group 5 of Schedule 10 to the Value Added Tax Act 1996 to make exempt from VAT the management charges imposed on Experienced Investor Fund (EIF)^(e) and Professional Investor Fund (PIF)^(f) schemes by the operator of the scheme.

International collective investment schemes (formerly known as “restricted” schemes) are defined in section 11 of the Financial Supervision Act 1988. EIF and PIF are types of international scheme provided for in orders made under section 11.

^(c) S.D. No. 603/99.

^(d) S.D. No. 602/99.

^(e) Financial Supervision (Experienced Investor Fund) (Exemption) Order 1999 [S.D. No. 603/99].

^(f) Financial Supervision (Professional Investor Fund) (Exemption) Order 1999 [S.D. No. 602/99].