



VALUE ADDED TAX ACT 1996

VALUE ADDED TAX (FOOD) ORDER 2005

Approved by Tynwald

15th February 2005

Coming into operation

13 January 2005

In exercise of the powers conferred on the Treasury by sections 30(4) and 94(6) 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 and commencement

1. This Order may be cited as the Value Added Tax (Food) Order 2005 and comes into operation on 13th January 2005.

Amendment

2. In Note (3) of Group 1 (Food) of Schedule 9 to the Value Added Tax Act 1996, for paragraph (ii) substitute –

“(ii) is above that temperature at the time it is provided to the customer.”.

Made this

12th

day of

January

2005

Minister for the Treasury

^(a) 1996 c.1.

EXPLANATORY NOTE

(This note is not part of the Order)

This Order, which comes into operation on 13th January 2005, amends Group 1 of Schedule 9 to the Value Added Tax Act 1996. Group 1 of Schedule 9 applies the zero rate of VAT to supplies of food, subject to certain exceptions. One of these exceptions is a supply in the course of catering. Note (3) to the Group specifies certain types of supply that fall within the scope of catering for this purpose, including any supply of hot food for consumption off the premises on which it is supplied. The Note also defines hot food.

Article 2 of this Order amends paragraph (b)(ii) of Note (3). The amendment serves to confirm that the time at which the temperature of the food is relevant for determining whether it is hot food is the time the food is provided to the customer, rather than the time of supply as determined under other provisions of the Value Added Tax Act 1996 (the most relevant of which for present purposes is the time at which the supplier receives payment).