



**Sequence to achieve VAT saving on new vehicle. 15-05-2001.
Autochair Ltd. Wood Street North, Meadow Lane Industrial Estate, Alfreton
Derbyshire DE55 7JR**

Autochair Ltd offers this information in good faith but cannot be held responsible for any inaccuracies. It is the responsibility of both the vehicle supplier and customer to ensure that they comply with Customs & Excise rulings in order to achieve zero rating.

For the attention of

Date

The object of this sequence is that a vehicle supplier can supply a new vehicle, which has been adapted for a disabled customer, at zero VAT rate. The disabled person being the first registered owner.

This is based on the fact that the customer has selected a vehicle and adaptation that comply and that terms have been agreed between all parties.

1. Vehicle supplier allocates vehicle.
2. Vehicle supplier places order with Adaptation Company for adaptation and fitting.
3. Adaptation Company invoices vehicle supplier for complete supply including VAT.
4. Adaptation Company fit adaptation.
5. Vehicle supplier registers vehicle as 'adapted'
6. Vehicle supplier invoices customer for price of vehicle and adaptations less VAT.
7. Customer signs VAT declaration.
8. Vehicle supplier recovers input VAT from vehicle supplier and Adaptation Company through normal VAT returns system.

To state the obvious.

Item 4 together with payment can be done at any time but should be done before any work is undertaken on the vehicle. Fitting of an adaptation normally requires some drilling. The vehicle, adaptation and fitting should be on one invoice only. Lease purchasing a vehicle also qualifies. Autochair Ltd would normally demonstrate the adaptation on fitting.

There follows a sample of the VAT declaration form, which should be on the vehicle supplier's letterhead and any wording altered to reflect it is from them.

*The full notes for these VAT changes can be found on Customs & Excise web site.
Look for BN 19/02 and Notes 17/01.*

(This declaration should be on your letterheaded paper and signed by the customer when it is complete.)

**We are pleased to supply any further information. Info@autochair.co.uk
www.autochair.co.uk Fax 01629-814725.**



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**GOODS AND SERVICES FOR DISABLED PERSON: ELIGIBILITY
DECLARATION BY AN INDIVIDUAL**

I (full name)

of (address)

declare that I am chronically sick or disabled by reason of:
(give full and specific description of your condition)

and that I am receiving from: (name and address of supplier)

* the following motor vehicle which is being supplied to me for domestic or my personal use: (description of vehicle and details of adaptation) or

* the following services to adapt a motor vehicle to suit my condition: (description of services and motor vehicle) or

* the following services of installation, repair or maintenance of motor vehicle: (description of services and goods) or

* the services of leasing a motor vehicle

and I claim relief from value added tax under Group 12 of Schedule 8 to the Value Added Tax Act 1994.

(Signature)

(Date)

* Delete words not applicable

NOTE TO SUPPLIER

You should keep this declaration for production to your VAT office. The production of this certificate does not automatically justify the zero-rating of the supply. You must also ensure that the motor vehicle and services you are supplying qualify for zero-rating.

NOTE TO CUSTOMER

If you are in any doubt as to whether you are eligible to receive a motor vehicle or services zero-rated for VAT you should consult your local VAT office before signing the declaration.

Warning: Section 72 (3) of the VAT Act 1994 provides for severe penalties for anyone who makes use of a document which they know to be false for the purposes of obtaining VAT relief.

ANNEX C

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