



H M CUSTOMS & EXCISE LONDON

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Your Ref

Our Ref: RD/COPE/1

Date : 17 April 01

Dear Mr Walker

AUTOCHAIR LIMITED LIABILITY OF SUPPLIES MADE UNDER VATA 1994 SCHEDULE 8 GROUP 12 - AIDS FOR THE HANDICAPPED

I write in response to your letter dated 9 April, which was passed to me during the late afternoon of 11 April. I have delayed in making this reply because I wished to confirm my decision with the Policy Branch responsible for the legislative oversight of the above provision.

Based upon the information provided I am pleased to confirm the following:

- The fitting of a Milford Person Lift to a new vehicle is seen as making a substantial and permanent adaptation to that vehicle as required by section 2(f) of the above Act. Therefore if a car were to be supplied new to a disabled person with the fitting already installed, the entire supply to that individual may be zero-rated.
- This must be one single supply. Therefore if the individual were to buy a new car without any other adaptations to enable it to carry or be driven by a wheelchair user, the supply would be standard rated. If he were to then fit a Milford Person Lift, it is only the supply and installation of the lift that may be zero-rated.

This is will also be true for the 'Autochair Wheelchair Carrier', the 'Up & On' and the 'Mini-Hoist'.

The law only allows for the zero-rating of the supply of hoist and of fitting services to a disabled individual. Where this supply is made to main dealer this will be a standard rated supply, but one they can reclaim through their own VAT return. They will be able to zero-rate it when making an onward supply to a disabled person.

Should any part of this letter be unclear, please contact me at the above address.

Yours sincerely

R Davis
Officer of Customs & Excise