

Provisions in relation to certain supplies. VATA s. 11(4), (4A) and (6)

50.—(1) Where—

(a) goods are supplied by a manufacturer to a person and materials have been supplied by or on behalf of that person for the manufacture of those goods, and

(b) the rate of tax chargeable in relation to the supply of the goods (in this subsection referred to as the “goods rate”) exceeds the rate of tax (in this subsection referred to as the “materials rate”) that would be chargeable in relation to a supply within the State of the materials,

then the manufacturer shall, in respect of the supply of such goods, be liable (in addition to any other liability imposed on the manufacturer by this Act) to pay tax on the value of the materials provided to the manufacturer at a rate equivalent to the difference between the goods rate and the materials rate.

(2) Where—

(a) goods of a kind specified in paragraph 8 of Schedule 2 are used by a person in the course of the supply by the person of taxable services, and

(b) the goods are provided by or on behalf of the person to whom the services are supplied,

the person who supplies the taxable services shall be liable in respect thereof (in addition to any other liability imposed on him or her under this Act) to pay tax on the value of the goods so used at the rate specified in section 46 (1)(c).

(3) Where immovable goods consisting of machinery or business installations are let separately from other immovable goods of which they form part, tax shall be chargeable in respect of the transaction at the rate which would be chargeable if it were a hiring of movable goods of the same kind.