

Vouchers, etc. VATA s. 10(6) to (7A) and s. 10(10) (in part)

43.—(1) In this section “redeemable value” means the amount stated on a coupon, stamp, telephone card, token or voucher or, where an amount is not so stated, the value expressed in terms of money for which a coupon, stamp, telephone card, token or voucher can be used as consideration (or part consideration) for a supply of goods or services.

(2) Subject to subsection (3), where a right to receive goods or services for the redeemable value of any coupon, stamp, telephone card, token or voucher is granted for a consideration, the consideration shall be disregarded for the purposes of this Act except to the extent (if any) that it exceeds that redeemable value.

(3) Notwithstanding subsection (2), where—

(a) a supplier—

(i) supplies a coupon, stamp, telephone card, token or voucher, which has a redeemable value, to a person who acquires it in the course or furtherance of business with a view to resale, and

(ii) promises to subsequently accept that coupon, stamp, telephone card, token or voucher at its redeemable value in full or part payment of the price of goods or services,

and

(b) a person who acquires that coupon, stamp, telephone card, token or voucher whether from the supplier referred to in paragraph (a) or from any other person in the course or furtherance of business, supplies it for consideration in the course or furtherance of business,

then, in the case of each such supply, the consideration received shall not be disregarded for the purposes of this Act and when such coupon, stamp, telephone card, token or voucher is used in payment or part payment of the price of goods or services, its redeemable value shall be disregarded for the purposes of section 37 (3).

(4) Provision may be made by regulations for the purpose of determining the amount on which tax is chargeable in relation to one or more of the following:

(a) supplies of coupons, stamps, tokens or vouchers when supplied as things in action (not being coupons, stamps, tokens or vouchers specified in subsection (2));

(b) subject to subsection (3) or (5), supplies of goods or services wholly or partly in exchange for coupons, stamps, telephone cards, tokens or vouchers of a kind specified in subsection (2) or paragraph (a),

and such regulations may, in the case of supplies referred to in paragraph (a), provide that the amount

on which tax is chargeable shall be nil.

(5)(a) Where a supplier sells a voucher to a buyer at a discount and promises to subsequently accept that voucher at its face value in full or part payment of the price of goods purchased by a customer who was not the buyer of the voucher, and who does not normally know the actual price at which the voucher was sold by the supplier, the consideration represented by the voucher shall, subject to regulations (if any), be the sum actually received by the supplier on the sale of the voucher.

(b) Paragraph (a) is for the purpose of giving further effect to Article 73 of the VAT Directive, and shall be construed accordingly.