

# Charitable Healthcare Providers (Value Added Tax Relief) Bill

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## CONTENTS

- 1 Amendment of the Value Added Tax Act 1994
- 2 Short title and commencement

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**B I L L**

TO

Provide for charitable healthcare providers taking on new responsibilities from the National Health Service to be able to recover value added tax on the same non-business supplies as the NHS in respect of those responsibilities; and for connected purposes.

**B**E IT ENACTED by the Queen’s most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:—

**1 Amendment of the Value Added Tax Act 1994**

- (1) The Value Added Tax Act 1994 is amended as follows.
- (2) After section 41(8) insert—
- “(9) For the purposes of subsection (6) above a charity shall be regarded as a body of persons exercising functions on behalf of a Minister of the Crown if it is providing, under a legal obligation (contractual or otherwise) entered into on or after 1 October 2011, healthcare or welfare services, or goods associated with such services, either to a body within subsection (7) above or to a Government department. 5
- (10) The Commissioners shall refund to a charity only such VAT chargeable to the charity as is attributable to the charity’s legal obligation under subsection (9) above. 10
- (11) For the purposes of subsections (9) and (10) a “charity” includes a body corporate that is wholly owned by a charity if— 15
- (a) the body has agreed in writing (whether or not contained in a deed) to transfer its profits (from whatever source) to a charity, or
- (b) the body’s profits (from whatever source) are otherwise payable to a charity.”

**2 Short title and commencement**

- (1) This Act may be cited as the Charitable Healthcare Providers (Value Added Tax Relief) Act 2011.
- (2) This Act comes into force at the end of the period of 2 months beginning with the day on which it is passed.

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## B I L L

To provide for charitable healthcare providers taking on new responsibilities from the National Health Service to be able to recover value added tax on the same non-business supplies as the NHS in respect of those responsibilities; and for connected purposes.

*Ordered to be brought in by Nic Dakin,  
Stuart Andrew, Mr Kevin Barron,  
Chris Evans, Julie Hilling, Kris Hopkins,  
Martin Horwood, Greg Mulholland,  
Paul Murphy, Andrew Percy, Bob Russell  
and Jim Shannon.*

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*Ordered, by The House of Commons,  
to be Printed, 8 March 2011.*

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