

# Charging VAT on sales of second-hand goods with input tax undeducted 3/14/24

The Value Added Tax (VAT) Act prescribes a special scheme for charging VAT on supplies of second-hand goods. These include a variety of tangible items, such as cars, machinery, office equipment, furniture and other goods that are fit for future use in the same form with no modification or after repairs and that are not works of art, collectors' items or antiques. A taxable person selling second-hand goods will normally charge VAT on the full price. However, certain supplies of second-hand goods can be exempt from VAT or taxable under a special scheme on the difference between the acquisition cost and the selling price (a margin scheme for second-hand goods as per section 138 of the VAT Act). This article explores what conditions have to be met before section 138 can be applied and when an exemption is available.

## Izlasiet visu īsziņu ne tikai virsrakstu, kļūstot par abonētāju

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