

## **62. Terms of sale and liability for VAT**

62.1 The contract for the sale of any horse which is claimed or auctioned following a Claiming or Selling Race under these Rules shall include the following terms

62.1.1 that the horse is deemed to be claimed or bought 'as it stands' in whatever may be its condition at the time the successful claim or bid is made, and

62.1.2 that no Person may seek to rescind a claim or purchase or resist payment of a claim or the price or seek to recover any sum paid on the basis of any alleged weakness, injury or physical infirmity or other less than satisfactory physical or temperamental attributes of the horse.

62.2 In respect of a Selling Race

62.2.1 the Owner and Trainer of a horse must advise the auctioneer before the sale of the winner if the horse is to be sold either wholly or partially subject to VAT so that this fact can be announced from the rostrum, and

62.2.2 if the sale is subject to VAT, the purchaser is liable to pay VAT calculated on, and in addition to, the final selling price, or, if the horse is only partly owned by a Person or company which is registered for VAT, a proportion of the selling price,

but Paragraph 62.2.2 does not apply if the horse is bought in (in which case no VAT liability occurs).

62.3 Where a horse is claimed out of a Selling Race or a Claiming Race

62.3.1 the claiming price is deemed to be exclusive of VAT, and

62.3.2 the purchaser is liable to pay VAT calculated on, and in addition to, the claiming price, or, if the horse is only partly owned by a Person or company registered for VAT, a proportion of the claiming price.

62.4 Where any horse sold in either a selling or Claiming Race is, at the time winning, owned wholly or partially by

62.4.1 an Owner or Trainer who is registered for VAT in the United Kingdom, or

62.4.2 an overseas owner who has appointed a United Kingdom Person which is registered for VAT to act as principal in the importation and supply of a horse,

it is the responsibility of the Owner, Trainer or other Person registered for VAT to account to H.M. Revenue and Customs for the VAT element.

62.5 Each Owner and Trainer must

62.5.1 check the list provided in the Weighing Room about the VAT status of owners, and

62.5.2 before the start of the race, inform the Clerk of the Scales of any inaccuracies, for onward communication to The Racing Calendar Office.

62.6 Where a horse is sold without VAT when the Owner is VAT registered, the proceeds shall be treated as being VAT inclusive and the Owner shall be required to account to H.M. Revenue and Customs for the VAT element.

62.7 Where a horse is sold with VAT when the Owner is not VAT registered, the Owner shall be taken to have contravened a requirement imposed on him by this Rule.