

VAT Agenda

The Budget March 2012

The VAT rates remain unchanged at...

Lower rate: 0%
Reduced rate: 5%
Standard rate: 20%

The registration and deregistration limits from 1 April 2012 are...

Registration turnover: £77,000 (1 April 2011 - £73,000)
Deregistration turnover: £75,000 (1 April 2011 - £71,000)

Changes from 2013

The following changes to the VAT rules will be made in 2013...

- The standard rate of VAT will apply to the supply and installation of energy saving materials in non-residential buildings used for non-business purposes by charities. Currently the lower rate of VAT applies
- The invoicing rules will be simplified
- Exemptions will be introduced for commercial Universities
- Cable-car rides will attract the reduced rate of VAT, where each cable car holds fewer than 10 passengers.

Proposals

The Government is consulting on the existing VAT law in the following areas, so expect changes in the future...

- Hot take-away food
- Sports nutrition drinks
- Self storage
- Hair-dressers' chair-rental, and
- Alterations to listed buildings.

If there are any issues noted above that you would like to discuss at greater length please just give us a call.

Elysian Associates
March 2012
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