

VAT guidance – CIPFA VAT liability index

This table, provided by HMRC, shows the VAT liability for local authority services.

This list was first introduced by HMRC at the December 2007 CIPFA VAT Committee meeting and is reproduced with the aim of assisting both HMRC and local authority staff in determining the liability of common transactions/income sources. Whilst it is not a formal Public Notice, and should not be relied upon as such, its style and content is similar to the old Notice 749A (and before that Appendix C to Notice 749) - both of which were withdrawn several years ago.

Key:

- EX - exempt
- SR - standard rated
- ZR - zero rated
- RR - reduced rate
- NA - not applicable
- OS - outside the scope of VAT

Please note that the goods / services supplied determine the VAT treatment, and NOT the type of customer, i.e. charity / company etc.

Income Description	Income Sub-Description	Business or Non-Business	VAT
Burials	Entries in book of remembrance - cemeteries	Business	SR
	Headstones, stone tablets, inscriptions	Non Business	OS
	Interment of ashes performed under Local Authority Cemeteries Order 1977	Non Business	OS
	Maintenance of graves	Non Business	OS
	Maintenance of gardens, war memorials etc.	Non Business	OS
	Memorial seats	Non Business	OS
	Memorial cards	Business	SR
	Removal and re-fixing of a tombstone	Non Business	OS

Income Description	Income Sub-Description	Business or Non-Business	VAT
Cremations	Cremation certificates	Non Business	OS
	Headstones, stone tablets, inscriptions - crematoria	Non Business	OS
	Entries in book of remembrance - crematoria	Business	SR
	Entries in joint books of remembrance	Business	SR
	Interment of ashes performed under Local Authority Cemeteries Order 1977	Non Business	OS
	Maintenance of gardens, war memorials etc	Business	SR
	Trees, bushes and plants	Business	SR
	Memorial cards	Business	SR
	Memorial seats	Business	SR
Burials & Cremations	Donated funds to be spent on the provision of facilities in public spaces (eg benches), even where including a memorial plaque	Non Business	OS
	Trees, bushes and plants	Business	SR
Car Parking & Road Safety	Car parking fees - on street	Non Business	OS
	Excess charges - on street	Non Business	OS
	Overpayments - on street	Non Business	OS
	Car parking fees - off street	Business	SR
	Excess charges - off street for stay longer than paid for and if under RTA 1991	Non Business	OS
	Excess charges - off street and other circs	Business	SR
	Overpayments (off street and provided not free parking)	Non Business	OS
	Car parking fines - illegal parking	Non Business	OS
	Removal of illegally parked cars - on street (police only)	Non Business	OS
	Removal of parked cars - off street (overstay/dangerous parking)	Business	SR
	Removal of abandoned vehicles	Non Business	OS
	Cycle training	Business	SR

Income Description	Income Sub-Description	Business or Non-Business	VAT
	Sale of road safety leaflet	Business	ZR
	Sale of motorbike/pedal cycle helmets: adults/children if comply with specific standards	Business	ZR
Education - Catering	Meals supplied to pupils/students at or below cost (by local authority)	Non Business	OS
	Meals supplied to non students	Business	SR
	Meals provided to non local authority establishments	Business	SR
	Vending machine sales - non school	Business	SR
	Vending machine sales on school premises to pupils at or below cost	Non Business	OS
Education - Uniforms & Clothing	Adults' clothing & sportswear	Business	SR
	Children's clothing & sportswear - see PN714 for reqs	Business	ZR
	School uniform - if within measurements in PN 714 or meet reqs in para 6.1	Business	ZR
	School uniform - otherwise	Business	SR
Education - Courses & Trips	Educational course fees (e.g. adult education)	Business	EX
	Examination fees - supply is to pupil	Business	EX
	Recreational courses	Non Business	OS
	School trips (pupils)	Non Business	OS
	Training courses by local authority or other public body	Business	EX
	Training courses by non-profit making body (eg charity)	Business	EX
	Training courses by commercial profit-seeking entity	Business	SR
	Sale of goods & services to pupils in local authority schools (when closely related to education)	Non Business	OS

Income Description	Income Sub-Description	Business or Non-Business	VAT
Education - Sales	Sale of goods & services icw vocational/other education (closely related to training/education)	Business	EX
	Sale of books	Business	ZR
	Sale of sports equipment	Business	SR
	Sale of students' work (if sold at no more than cost of materials)	Non Business	OS
Education - Misc.	Commission on school photographs - headteacher employee of local authority	Business	SR
	Commission on school photographs - headteacher agent of governors	Not Applicable	NA
Environment	Drain clearance: private individuals	Business	SR
	Emptying cesspits: commercial (if industrial user as defined in PN701/16)	Business	SR
	Emptying cesspits: domestic (or commercial but non industrial user)	Business	ZR
	Making good builders' debris (if road hazard and notice served but not complied with)	Non Business	OS
	Sewer connections - first connection of existing dwelling or non-res converted to residential	Business	SR
	Skip licence - on street	Non Business	OS
	Supervision fees for inspection of roads/sewers	Non Business	OS
	Private sewer repairs - owner agrees to works	Business	SR
	Private sewer repairs - default works without agreement of landowner	Non Business	OS
	Public sewer repairs (on private land)	Business	SR
	Pest control - no specific charge	Non Business	OS
	Pest control - charge made	Business	SR
	Pest control - costs recovered icw non compliance with statutory notice	Non Business	OS
	Removal of dead animals - charge made and	Non Business	OS

Income Description	Income Sub-Description	Business or Non-Business	VAT
	special legal regime		
	Meat handling, weighing & ripening services	Business	SR
	Food hygiene certificate courses	Business	EX
	Trading standards - licence fees	Non Business	OS
	Use of public conveniences	Non Business	OS
	Sales from machines in public conveniences (NB women's sanitary products reduced rate)	Business	RR
	Portaloos hire charges	Business	SR
Environment - Local Weights & Measures Authority	Verification under Weights & Measures Act 1985 (transitional provisions)	Non Business	OS
	Verification under Measuring Instruments Directive (MID) 2004/22 EC (various regulations)	Business	SR
	Re-verification after adjustment under MID 2004/22 EC Directive 90/384 (SI 2000 No. 3236)	Non Business	OS
	Verification under Non-Automatic Weighing Instruments Directive (NAWI)	Business	SR
	Verification under Measuring Instruments (EEC Requirements) Regulations 1988 (MIR)	Non Business	OS
Highways	Carriageway reinstatement - if district council serves notice on county council	Non Business	OS
	Carriageway reinstatement - if district council wins tender to undertake work	Business	SR
	Carriageway reinstatement: specified by utility company	Business	SR
	Erection of directional signs - if acting as highways authority and complies with SI 1994/1519	Non Business	OS
	Supply and erect street name plates	Non Business	OS
	Erecting banners/flags	Business	SR
	Lamping dangerous structures	Non Business	OS

Income Description	Income Sub-Description	Business or Non-Business	VAT
	New private road construction - commercial	Business	SR
	New private road construction - dwellings (if simultaneous or within z/r time limits)	Business	ZR
	Private street works - statutory obligation	Non Business	OS
	Private street works - owners' request	Business	SR
	Reinstatement charge - insurance company (council property)	Non Business	OS
	Reinstatement charge - individual (if council property)	Non Business	OS
	Supply of tarmac	Business	SR
	Dropped kerbs/carriageway crossings - notice issued or at owner's request	Non Business	OS
	Dropped kerbs/carriageway crossings - local authority advises owner work needed and works pre-notice	Business	SR
	Works in default – at occupiers request	Business	SR
	Works in default – by statutory obligation	Non Business	OS
Housing - Fees & Charges	Damage cost - charged to tenant while still in residence	Business	SR
	Damage cost - charged to tenant after has vacated	Non Business	OS
	Damage cost - third party	Non Business	OS
	Laundry charges	Business	SR
	Recovery of bed & breakfast costs	Non Business	OS
	Water rate collection commission	Business	SR
Housing - Land & Rents	Commercial rents	Business	EX
	Council house rents	Non Business	OS
	Garage rents - in proximity to flat/house rented by same local authority landlord to same tenant	Non Business	OS
	Garage rents - to tenant/leaseholder not meeting above conditions/any freeholder and	Business	SR

Income Description	Income Sub-Description	Business or Non-Business	VAT
	other		
	Garage rents - right to buy leaseholder where rented by same local authority landlord to same leaseholder	Non Business	OS
	Ground rent on leases	Business	EX
	Residents' parking permits	Non Business	OS
	Sale of land (freehold/leasehold)	Business	EX
	Commercial listed buildings - repair/alterations	Business	SR
	Council house sale - Local authority constructor	Non Business	OS
	Council house sale - local authority not constructor	Business	EX
	Protected buildings (dwellings, relevant residential/charitable) - approved alterations	Business	ZR
	Protected buildings - repair	Business	SR
	Property improvement grants - fee charged to homeowner	Business	SR
	Sale of commercial property – less than three years old (1/4/89)	Business	SR
	Sale of commercial property - over three years old and no OTT (1/4/89)	Business	EX
	Specific building alterations for the disabled (VATA 1994 Sch 8 Group 12)	Business	ZR
	Exempt supplies subject to the option to tax	Business	SR
Housing - Service Charges & Hot Water	District heating - leaseholders/freeholders (if part of service charge)	Business	EX
	District heating - tenants (if included in rent charged and no separate charge)	Non Business	OS
	District hot water - leaseholders/freeholders (if part of service charge)	Business	SR
	District hot water - tenants (if included in rent charged and no separate charge)	Non Business	EX
	Service charges - communal areas	Non Business	OS

Income Description	Income Sub-Description	Business or Non-Business	VAT
Housing - Water Supplies	Private water supplies made under 'private water supply regulations' from 1 December 2009	Non Business	OS
Housing - Misc.	Insurances	Business	EX
	Overpayment of housing benefit	Non Business	OS
	Rechargeable works	Variable	Variable
	Works in default - statutory notice and owner refuses to comply	Non Business	OS
	Works in default – owner agrees to comply	Business	SR
Land & Property - General	Allotment rents	Non Business	OS
	Letting of market pitches - on street	Non Business	OS
	Letting of market pitches - off street	Business	EX
	Letting of market pitches - off street (with option to tax in place)	Business	SR
	Hire of market stalls (components of the stall such as trestles, metal frames, awning, "table-top" etc)	Business	SR
	Holiday accommodation caravans/beach huts	Business	SR
	Letting of seasonal pitches for caravans (not principle residence)	Business	SR
	Facilities for mooring of residential houseboat (no option-to-tax)	Business	EX
	Commercial rents	Business	EX
	Protected buildings - approved alterations	Business	ZR
	Protected buildings - repair	Business	SR
	Sale of bare land	Business	EX
	Supplies of land subject to the option to tax	Business	SR
Land & Property - Smallholdings Authority	Smallholding let for smallholding purpose (Smallholdings (Selection of Tenants) Regulations 1970)	Non Business	OS
	Smallholding let for purpose other than smallholding (Agriculture Act 1970, Section	Business	EX

Income Description	Income Sub-Description	Business or Non-Business	VAT
	49(1))		
	Smallholding let for purpose other than smallholding (Agriculture Act 1970, Section 49(1)) with option to tax	Business	SR
Leisure - Fees & Charges	Admission to swimming baths	Business	SR
	Admission to sports centres	Business	SR
	Admission to sporting events	Business	SR
	Coaching fees	Business	EX
	Educational course fees	Business	EX
	Hairdryer receipts	Business	SR
	Hire of sports facilities - non sporting	Business	EX
	Hire of sports facilities/pitches - sporting (series of lets)	Business	EX
	Hire of sports facilities/pitches - sporting (not series of lets)	Business	SR
	Memberships - sports centres (NB current appeal to tribunal)	Business	SR
	Hire of sports equipment	Business	SR
	Locker charges	Business	SR
	Occasional sports licences (e.g. licence fee paid to hold race in local authority owned park)	Non Business	OS
	Recreational course fees	Business	EX
Leisure - Sales	Adults clothing & sportswear	Business	SR
	Children's clothing & sportswear (iaw PN 714)	Business	ZR
	Confectionery & drinks	Business	SR
	Publications	Business	ZR
	Sports equipment	Business	SR
	Video game machines	Business	SR
Libraries - Fees & Charges	Library fines - lost/damaged/overdue books	Non Business	OS

Income Description	Income Sub-Description	Business or Non-Business	VAT
	Library fees & fines - lost/damaged/overdue CDs, DVDs etc	Non Business	OS
Libraries - Sales	Sale of folded maps	Business	ZR
	Sale of framed pictures	Business	SR
	Sale of maps via internet	Business	ZR
	Sale of pictures via internet	Business	SR
	Sale of old stock - books (printed)	Business	ZR
	Sale of old stock - records, tapes, dvds, cds	Business	SR
	Talking books	Business	SR
Libraries - Misc.	Disposals of equipment (where chargeable)	Business	SR
	Photocopies	Business	SR
Misc. Receipts - Fees & Charges	Admission fees to lectures	Business	EX
	Catering facilities	Business	SR
	Compensation	Non Business	OS
	Damage cost	Non Business	OS
	Dogs found and taken to kennels - statutory fine (currently £25)	Non Business	OS
	Dogs found and taken to kennels - administration fee/collection cost	Non Business	OS
	Dogs found and taken to kennels - kennel fee	Non Business	OS
	Donations	Non Business	OS
	Filming rights no defined area e.g. street estates	Business	SR
	Filming rights - site rental e.g. depots/school halls	Business	EX
	Lease cars - employee contributions	Non Business	OS
	MOT tests (if not above stat. fee)	Non Business	OS
	Hire of equipment	Business	SR
	Hire of space on notice board	Business	SR
	Photocopying charges	Business	SR

Income Description	Income Sub-Description	Business or Non-Business	VAT
	Private telephone calls	Business	SR
	Telephone box income	Business	SR
Misc. Receipts - Sales	Bar receipts	Business	SR
	Drinks machine takings	Business	SR
	Sale of agenda/minutes	Non Business	OS
	Sale of badges	Business	SR
	Sale of books/leaflets	Business	ZR
	Sale of borough maps	Business	ZR
	Sale of copy plans (if plans icw statutory planning permission etc)	Non Business	OS
	Sale of beverages	Business	SR
	Sale of electoral register	Non Business	OS
	Sale of equipment	Business	SR
	Sale of photographs	Business	SR
	Sale of postcards	Business	SR
	Sale of posters	Business	SR
	Sale of stationery	Business	SR
	Sale of sweets	Business	SR
	Sale of vehicles, equipment etc.	Business	SR
Planning	Building control fees - commercial premises	Business	SR
	Building control fees - dwellings	Business	SR
	Local land search fees	Non Business	OS
	Planning fees	Non Business	OS
	Sale of photocopied lease documents	Business	SR
Refuse Collection	Collection of bulky domestic waste	Non Business	OS
	Commercial waste collection services	Non Business	OS
	Commercial waste disposal by a waste disposal authority under the Environmental Protection Act 1990	Non Business	OS
	Industrial waste collection	Business	SR
	Issue of industrial waste licence	Non Business	OS

Income Description	Income Sub-Description	Business or Non-Business	VAT
	Hire of refuse containers	Business	SR
	Sale of collected items for recycling	Business	SR
	Sale of dustbin bags (unspecified design)	Business	SR
	Sale of dustbin bags (prescribed by local authority for refuse collection)	Non Business	OS
	Sale of recycling bags (unspecified design)	Business	SR
	Sale of recycling bags (prescribed by local authority for refuse collection)	Non Business	OS
	Sale of compost bins	Business	SR
	Sale of recycled materials e.g. compost	Business	SR
	Supply of dustbins for a charge (unspecified design)	Business	SR
	Supply of dustbins for a charge (prescribed by local authority for refuse collection)	Non Business	OS
	Sale of refuse	Business	SR
Registrar's Activities	Registration of civil partnerships	Non Business	OS
	Attendance at marriages in registry office, civil venue and churches	Non Business	OS
	Certificates of births, deaths and marriages	Non Business	OS
	Notices of marriage	Non Business	OS
	Registration of buildings for worship and marriage	Non Business	OS
	Citizenship ceremonies	Non Business	OS
	Commitment ceremony	Business	SR
	Nationality checking service	Business	SR
Social Services - Children - General	Childminder inspection fees	Non Business	OS
	Day nurseries & playgroups. NB Budget 2005 non business for local authority 'childcare' awaiting legislation	Business	EX
	Guardian ad litem (probation) fees	Non Business	OS
Social Services -	Persons in need of residential care	Non Business	OS

Income Description	Income Sub-Description	Business or Non-Business	VAT
Disabilities	(contribution can be requested)		
	Day-care (contribution can be requested)	Non Business	OS
	Provision of educational/recreational facilities (contribution can be requested)	Non Business	OS
	Provision of meals in the home or elsewhere (contribution can be requested)	Non Business	OS
	Provision of a telephone and associated specialised equipment (contribution can be requested)	Non Business	OS
	Sheltered employment	Non Business	OS
	Sale of work from sheltered workshops	Business	SR
	Car badges for disabled persons	Non Business	OS
Social Services - Elderly - General	Adaptation of property for disabled (tenant in local authority property)	Non Business	OS
	Adaptation of property for disabled (private property and meets z/r conditions)	Business	ZR
	Letting of day centres	Business	EX
	Meals on wheels - if part of package of care	Non Business	OS
	Meals on wheels - otherwise	Business	SR
	Registration fees for homes	Non Business	OS
	Welfare services - home help etc. (check specific legislation)	Non Business	OS
Social Services - Elderly - Residential Care	Accommodation fees - residents (if part of package of care)	Non Business	OS
	Accommodation fees - staff (if in line with Goodfellows tribunal decision)	Non Business	OS
	Accommodation fees - visitors	Business	SR
	Domiciliary laundry services	Non Business	OS
	Meals - residents (if part of package of care)	Non Business	OS
	Meals - staff	Business	SR
	Meals - visitors	Business	SR

Income Description	Income Sub-Description	Business or Non-Business	VAT
	Occupational therapy products - where retained by patient	Non Business	OS
	Occupational therapy products - otherwise	Business	SR
	Recreational holidays for elderly qualifying person (Chronically Sick and Disabled Persons Act 1970 s2(1)(c)(f))	Non Business	OS
	Rental of telephone, TV, radio under Chronically Sick & Disabled Persons Act 1970 s2(1)(b)	Non Business	OS
	Sale of personal effects	Non Business	OS
	Services supplied to staff in residential establishments	Business	SR
Social Services - Mental Health	Persons in need of residential care (contribution can be required)	Non Business	OS
	Day centres	Non Business	OS

If you have any queries on this or you are unsure of the VAT treatment of any work, please contact the VAT team:

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