

**Checklist of issues where a claim may be possible**

All you need to do right now is to tick the box next to any of the categories which you think may apply. We will then come back to you detailing the further information we need.

The exception to this is any Quick Start claims, where a copy of past claims made to HMRC will help greatly to ensure your claim is given priority.

Do not worry unduly about the subsequent information requirements. The first step is to see if a claim can be made; the second is to look at formulating the claim. Our consultants have a great deal of experience in formulating claims, and you would be surprised what they can use to get you a result!

So start now by ticking the boxes and sending your completed form back to us either by e-mail [vatclaim@primeaccountants.co.uk](mailto:vatclaim@primeaccountants.co.uk) or fax 02476 221065.

**Quick start**

<b>Voluntary disclosures made</b>	<b>Have you made any voluntary disclosures in the last, say, six years?</b>	
	<b>Did these result from VAT accounting errors?</b>	
	<b>Did they result from mistakes the VATman had made?</b>	
	<b>Did they result in VAT being repaid to you?</b>	
If you have answered “yes” to two or more of these questions, there is the possibility of a VAT claim going back many years. Please provide copies of your voluntary disclosures with your completed form.		

**Line by line examination of opportunities**

**Income**

<b>Charities</b>		
Membership subscriptions	Apportionment of VAT to individual elements included provision of printed matter to members	
<b>Sport</b>	See below	
Heavily subsidised activities where VAT charged	These may not be “economic activities” in EU law, and thus a VAT claim may be possible	
Grants	Certain grants are contracts for services. These in turn are taxable. Whilst more VAT is payable, where these contracts are with local authorities or health trusts, it is likely that those bodies will pay the VAT. The impact, is to save compliance problems but, importantly, to increase input tax deduction	
<b>Theatres and culture (not for profit)</b>		
Entrance fees	Claims for VAT overpaid on entrance fees (possibly back to 1973)	
<b>Sport</b>		
Annual Subscription	Overpayment of VAT on Annual Subscription income covering 1973 to 1989 based on an apportionment calculation	
Annual Subscription	Overpayment of VAT on Annual Subscription income covering 1973 to 1989 based on the backdating of the	

	sporting exemption to 1973	
Green Fees	Overpayment of VAT on Green fees from 1973 to the present date based on backdating of the sporting exemption to 1973	
Locker Rent	Overpayment of VAT on Locker rent from 1973 to 1989 based on backdating of the sporting exemption to 1973	
Gaming machines	See below	
Snooker/Billiard/Pool income	Overpayment of VAT on Locker rent from 1973 to 1989 (possibly later based on backdating of the sporting exemption to 1973)	
Sports participation	Rather a "not elsewhere specified category looking to go back to 1973 based on the sporting exemption	
<b>Hotels and similar accommodation</b>		
Guest staying more than four weeks	A reduced VAT value can be used to account for the room rate. Claims possible for the last three years and possibly in the period from 1973 to 1989.	
Gaming machines	See below.	
<b>General</b>		
Gaming machines	Overpayment of VAT on gaming machine income covering the period from 1978 to 2005	
VAT Bad Debt Relief	This tends to get missed, but claims can be very valuable. There is limited possibility for claims for	

	years up to 1989, and then for later periods.	
<b>Retailers</b>		
Credit or debit card handling fees	Often included within the taxable amount but, in the right circumstances, should properly be exempt.	
Money off coupons	Unilaterally amending the taxable amount and reducing output VAT payable	
Cash back payments	Amending the taxable amount and reducing output VAT payable	
<b>Stabling and livery</b>		
Stabling income	VAT claims for VAT charged on the services	

**Expenditure**

Not all expenditure claims will result in a claim being made direct to HMRC. Some may need us to go back to your suppliers. In some ways these claims are better as a hole in the three year rule legislation, permits such claims to be made all the way back to 1973 – provided your supplier still exists!

<b>Car Dealers</b>		
Demonstrator cars	Deduction of input tax possibly to 1973	
Fleet bonus payments	Deduction of input tax possibly to 1973	
<b>Education (charities and not for profit)</b>		
Building projects – zero-rating	Going back to the builders for overcharged VAT on building projects. Credit notes can go back to 1989	
Building projects – VAT charged	Where used partly for purposes other than fee paying education, partial VAT claims, some back to 1973	
<b>Charities</b>		
Partial Exemption	Income based methodologies with incorrect inclusions within the fraction denominator. Claims are only likely for the last three years.	
Grants	Certain grants are contracts for services. These in turn are taxable. Whilst more VAT is payable, where these contracts are with local authorities or health trusts, it is likely that those bodies will pay the VAT. The impact, is to save compliance	

	problems but, importantly, to increase input tax deduction	
Sports	See below	
Capital Expenditure	Potential claims having effect on VAT incurred on capital expenditure incurred during the last ten years.	
Capital expenditure	Potential claims from 1989 onwards where property has been used for charitable purposes but landlord or vendor charged VAT under an option to tax.	
Capital Expenditure	VAT charged on charity building because of business activities, where those activities are heavily subsidised. It is possible VAT should not have been charged.	
Printed matter	Incorrect charges to VAT on printed matter. Claims potentially back to 1973 via suppliers.	
Temporary staff provided by agencies	Seeking credit notes for VAT incorrectly charged. All temp arrangements need to be reviewed.	
Investment manager's fees	Possible VAT claims against investment managers going back to 1973	
Business unable to make VAT claims (insurance brokers, IFA's, funeral parlours, bookies etc)		
Printed matter	Incorrect charges to VAT on printed matter. Claims potentially back to 1973 via suppliers.	
SIS System	Claims in respect of input	

(Bookmakers)	tax incurred on the SIS system	
Cheque printing	VAT charged incorrectly on cheque printing services	
Temporary staff provided by employment agencies	Review of arrangements may reveal circumstances where VAT should not have been charged by the agency. Possible claims back to 1973 via the agency.	
<b>Pension Funds</b>		
Fund investment costs	It is possible for many pension funds to voluntarily register for VAT resulting in a VAT claim on part of investment manager's fees.	
Fund investment costs	Where the business is fully taxable, a proportion of the fee is deductible in full by the employer. This is often missed, and was frequently missed in the days of "contribution holidays" or where the fund paid the costs.	
<b>Theatres and performance</b>		
Partial exemption	Where the income is exempt, but taxable income is earned at the same time (for example program sales) there is the possibility of a claim through the miscoding of production input tax.	
<b>Sports</b>		
Partial exemption	Input tax miscoded as exempt input tax when it should properly be coded	

	as residual input tax. This results from changes in interpretation on income over recent years where HMRC's guidance on expenditure has not kept pace. Claims are only likely for the last three years	
Partial Exemption	Income based methodologies with incorrect inclusions within the fraction denominator. Claims are only likely for the last three years.	
Capital Expenditure	Potential claims having effect on VAT incurred on capital expenditure incurred during the last ten years.	
Capital Expenditure – not for profit/CASC/charity	Spend on club houses and pavilions where VAT has been charged. Claims are definitely possible for the last three years and some earlier claims may be possible. Savings are likely to be very significant	
<b>General</b>		
Any business with significant mailing costs	Where Royal mail has been used instead of a private provider, it may be possible to make a claim for input VAT against what has been paid to Royal Mail. Such claims can go as far back as 1994 when private providers were allowed to compete with Royal Mail.	
Staff entertaining	Failure to reclaim input tax. Possibility for claims from 1973 through to 2008.	

Staff mileage expenses	Mileage expenses, where paid and input tax not taken on the cost of the fuel. Possibility of claims for at least three years, and possibly for periods from 1973.	
Mergers and acquisitions	Costs were blocked for a long time on mergers and acquisitions, but case law determined this to be incorrect. Claims possible for the period from 1973 through to 2008.	
Business entertaining – food at meetings	Refreshments as part of a client meeting is not entertaining, but has been blocked by HMRC. Claims possible back to 1973	
Business entertaining – overseas customers	This has been blocked since 1995, but the legislation introducing the block was contrary to European Case law. A claim is possible back to 1995	

Anything else?

Well, possibly.

The list we have produced caters for the major opportunities, but individual businesses often feel that they have paid too much VAT on income, or have been wrongly refused deduction of VAT on expenditure.

Write a brief note in the box below and we will examine your concern and tell you whether there is a potential claim.

You can also use the box to tell us about penalties the VATman has charged you which you think are unfair – we may well be able to get that money back too!

This is a clear case where the old rule that “if you don’t ask, you don’t get” is more true than ever. And not asking now could leave you unable to get at a potentially large VAT refund.

Tell us why else you think the VATman might owe you money?