Essex County Council VAT Manual: Appendix B

**VAT Liability Index**

This table, provided by HMRC, shows the VAT liability for local authority services. Further information on these services can be found on the HMRC website or contact [Financial.Accounting@essex.gov.uk](mailto:Financial.Accounting@essex.gov.uk) for more information on particular services.

This list was first introduced by HMRC in 2007 and is reproduced with the aim of assisting local authority staff in determining the liability of common transactions / income sources.

**Key:**

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

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| --- | --- | --- | --- |
| **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 |
| 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) | Business | SR |
|  | 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 |
|  | 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 |
| 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 special legal regime | Non Business | OS |
|  | 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 |
|  | Portaloo 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 |
|  | 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 other | Business | SR |
|  | Garage rents - right to buy leasehold 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 |
| 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 49(1)) | Business | EX |
|  | 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 |
|  | 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 |
|  | 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 |
|  | 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 - Disabilities | Persons in need of residential care (contribution can be requested) | Non Business | OS |
|  | 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 |
|  | 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 |