

## VAT (VALUE ADDED TAX) FACTSHEET

### **Q On what items is VAT relief available to people with a disability?**

**A** VAT relief is available on cars (subject to specific rules – see below), certain goods and services, and certain construction work. If VAT relief is available the goods and services will be zero rated for VAT; which means you will not be charged VAT (normally 20%).

### **Q Will the supplier automatically provide the goods or services free of VAT?**

**A** No, the supplier will require a written or an electronic declaration from you. The supplier will need to retain the declaration as evidence in support of not charging you VAT.

### **Q Where can I obtain the relevant declaration form and what needs to be included?**

**A** The declarations are available on the HM Customs & Revenue website: <https://www.gov.uk/government/publications/vat-reliefs-for-disabled-people-eligibility-declaration-by-a-disabled-person>

The Trust can also send you the forms. The details to be included depend on what is being purchased, which are shown below in more detail for different goods and services.

### **Q Can I buy a car VAT free?**

**A** You can purchase a motor vehicle VAT free when ALL of the following apply:

- you normally use a wheelchair
- the vehicle is permanently and substantially adapted
- the vehicle is for your domestic or personal use, and
- you give the supplier a completed declaration (form VAT1615A).

Note a person who occasionally uses a wheelchair (e.g. when visiting a shopping centre) would not be eligible for the VAT relief.

A permanent adaptation is meant to last indefinitely. A substantial adaptation would alter the vehicle in a meaningful way.

More details about buying a car VAT free are included in HMRC guidance VAT1615, which also includes the relevant declaration form: <https://www.gov.uk/government/publications/customer-declaration-for-zero-rated-vat-supply-of-an-adapted-motor-vehicle-vat1615a>

### **Q If my car only requires minor adaptations is VAT relief available?**

**A** There is no VAT relief on the purchase of the car. However the adaptations and their installation may qualify for relief under the VAT relief for disabled people.

### **Q I drive a regular automatic car because of my disability – does that qualify?**

**A** No, because a regular automatic car is not an adapted vehicle, VAT is always charged.

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### **Q What other items qualify for VAT relief for disabled people?**

- A** The items which qualify for VAT relief, which are set out in the relevant VAT Guidance Notice 701/7 VAT Reliefs for disabled people: <https://www.gov.uk/government/publications/vat-notice-7017-vat-reliefs-for-disabled-people>

One particular area to highlight is equipment 'designed solely' for use by a disabled person. Such items will have been specially designed or manufactured with the specific objective of being used by a person with a disability.

### **Q Who qualifies for this VAT relief?**

- A** Where VAT relief is available (on goods, services, construction and building work) it can be claimed by a person who has a 'disabling condition'. A written declaration must be provided to the supplier. Copies of the declaration can be provided by The Trust.

### **Q Is VAT relief available on building and construction work?**

- A** As with other VAT relief, the answer is 'it depends'. For example the construction of a ramp for use by a disabled person should qualify. Similarly widening a doorway or passage should qualify, but not the construction of a new doorway or passage.

Extending or adapting a bathroom, if the work is necessary to suit the conditions of a disabled person, should qualify for VAT relief. However the adaptation, or extension of a bedroom or kitchen will not be zero rated. However, individual items of equipment installed in the bedroom, or kitchen might qualify.

### **Q Isn't that a bit complicated?**

- A** That is an understandable question. VAT can often be far from straightforward, so the best approach is to consider the possibility of VAT relief and obtain advice well in advance of buying a car, adapting a car, agreeing a contract for building work or buying goods and services.

### **Q Finally, are the VAT relief rules likely to change?**

- A** Almost certainly. VAT rules are often updated, or changed. For example there has been a recent consultation about VAT relief for cars, which might result in relief being limited to the purchase of one new car every three years (amongst other possible changes).

### **Q Where can I get more information?**

- A** If you have any questions about VAT you should contact Jeff Prevost at [jeff.prevost@thalidomidetrust.org](mailto:jeff.prevost@thalidomidetrust.org) or Jane Darlington at [jane.darlington@thalidomidetrust.org](mailto:jane.darlington@thalidomidetrust.org)

If you want to speak to either Jeff or Jane, you can call the Trust office on 01480 474074