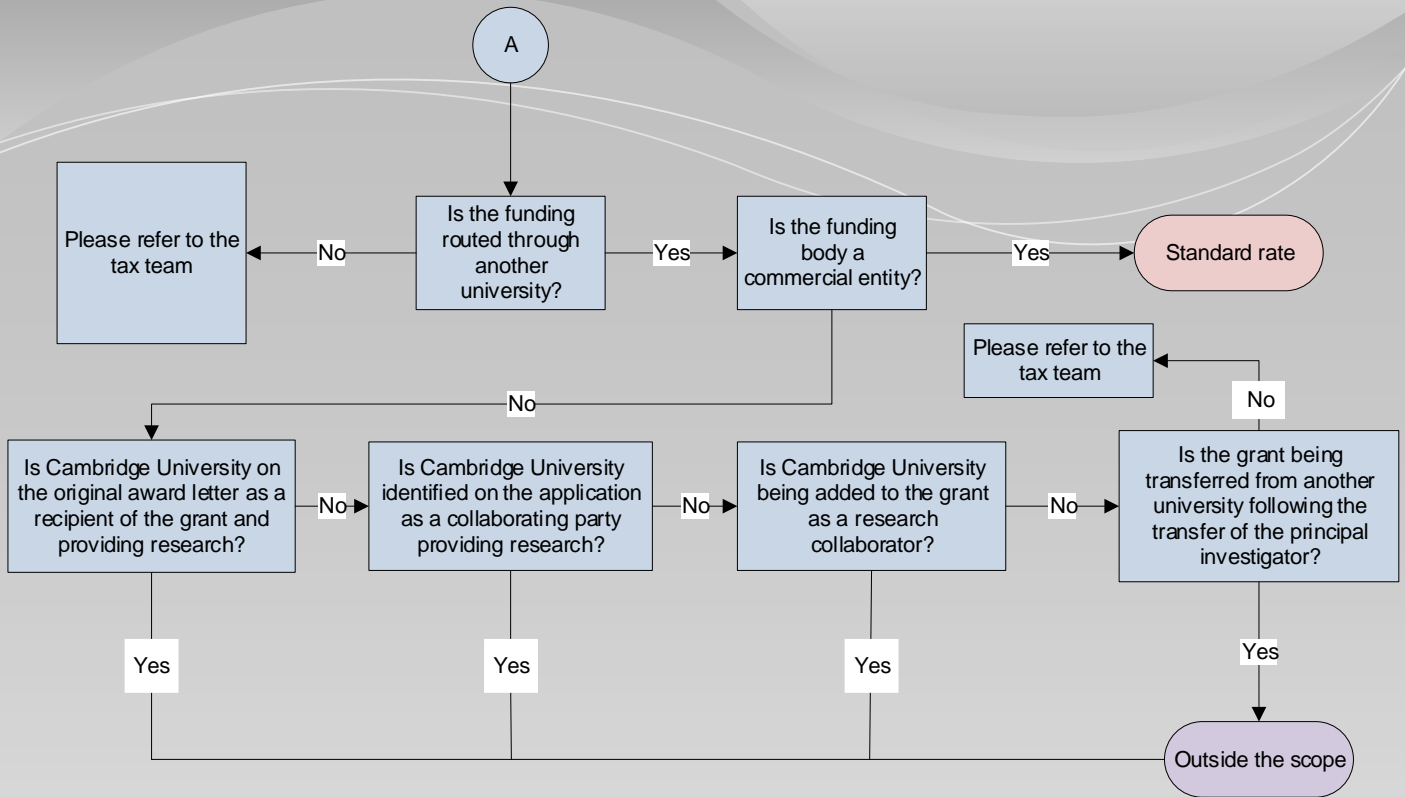


* The sponsors EU VAT number must be obtained and included on our invoice. We must also retain proof of the goods leaving the UK (e.g. airway bills, bills of lading etc.)

** We must retain proof of the goods leaving the UK (e.g. airway bills, bills of lading etc.)

*** Sponsor's EU VAT number must be obtained and included on our invoice



Costing rules

<p>If a contract is standard or zero rated, VAT incurred on purchases can be reclaimed and therefore it should be excluded for the purposes of calculating the costs which will be incurred on the grant. For standard rated grants, add VAT to the total University price to quote the VAT inclusive price to the sponsor.</p> <p><i>NB the VAT added is passed onto HM Revenue and Customs and is not income for the University</i></p>	<p>If a grant is EC Framework 7 (ECF7 - Outside the scope)</p> <p>VAT incurred on purchases cannot be reclaimed from HMRC. In addition, because the EC doesn't fund VAT on these grants, when calculating the charge to be invoiced to the EC the VAT on purchases should be excluded.</p> <p>However, the VAT is still a cost to the University and must be paid for from departmental funds.</p>	<p>If the grant is outside the scope, VAT incurred on purchases cannot be reclaimed and therefore any VAT which will be incurred must be included in the costs for the grant. Total cost to the sponsor will equal the total cost to the University i.e. no VAT will be added on invoicing.</p>
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Medical exemption

If research is medical or veterinary research, some equipment and consumables may be purchased free of VAT (Zero rated)
[See chapter 9 of the FPM](#)

Agreements with UK charities

Agreements with UK based charities could theoretically be standard rated where IPR is transferred to the sponsor. However as a general rule HMRC ignore this on the basis that the charity is simply requiring that any IPR arising is exploited and/or setting conditions for IPR to be shared. HMRC do not believe that these conditions create a supply for VAT purposes.

If in doubt refer queries to the University VAT Manager , Tracy Levitt
 Email: VATQueries@admin.cam.ac.uk
 Phone: (3) 32230