Appendix B: What rate of VAT to charge?

ROO decision on grant setup (refer FPM Chap 19, App A)

Is it a donation or a grant? (see appendix C)

DONATION

Outside the scope of VAT

Has we supplied goods/services to the other party in return for something (normally money)?

NO

YES

Is it to another University Department?

‘Internal’

No VAT

‘Internal’

No VAT

Is it to a country in the EC? (see appendix A)

NO

YES

Contact the University Tax Team for advice

Is it an export of goods?

NO

YES

ZERO RATED

No VAT

Is it a supply of services where the customer is based overseas?

NO

YES

EXEMPT

No VAT

Has the customer given you their EC VAT Number?

NO

YES

EZG (Goods)

No VAT

Can the goods or services be ‘Zero-rated’? (see para 3.2)

NO

YES

REDUCED RATE

VAT charged at 5%

Can the goods or services be ‘Exempt’? (see para 3.1)

NO

YES

STANDARD RATED

VAT charged at 15%

AppB, FPM Chap 9