

VAT Agenda

HMRC changes its policy on hotel rooms supplied for catering purposes

With effect from 22 January 2013 hotel businesses need to be aware that HMRC have changed their policy on the charging of VAT on rooms provided for the provision of catering facilities.

Revenue and Customs Brief 02/13 announces that HMRC now considers that the supply of hotel rooms is a standard rated supply even where the catering is provided by a third party.

HMRC had changed their interpretation of the law some time ago but has only now placed the change of policy into print.

<http://www.hmrc.gov.uk/briefs/vat/brief0213.htm>

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