



The
United
Reformed
Church

Help and Advice Group

Northern Synod Office, 4 College Lane, Newcastle upon Tyne NE1 8JJ (0191-232 1168)

Bulletin 31: VAT RELIEFS

The Help & Advice Group was set up by Synod in 2009, to support local churches in being informed and effective in their life and mission. The Group is made up of four members of local churches, together with administrative support from the Trust Officer. We are willing to try to provide specific advice or organise training days on particular topics. Please get in touch if you have questions or wish to suggest a training or discussion event.

This article is part of a series giving an overview of particular subjects on interest for local churches. We also circulate general updates from time to time. Bulletins will also be posted on the members' area of the website with direct links to other websites.

Where readers are directed to web-based resources, the Synod Office is willing to respond to reasonable requests for printed out information for readers without web access, although they may find it more satisfactory to follow up their interest through their local library's web access.

Value Added Tax

In response to a recent enquiry, churches are reminded that there are some reliefs available for charities from VAT, in particular:

- Advertising (0%)
- Aids for people with disabilities (0%)
- Fuel and power (5%)
- Construction of a new building (0%)

Fuller details are given in the Association of Church Accountants & Treasurers (ACAT) Handbook, of which each Church Treasurer should have a copy. It is also worth checking on your fuel bills that you are not being charged the Climate Change Levy, as charities are exempt if they qualify for the reduced rate of VAT on fuel and power.

HMRC's VAT notice 701/1 for Charities can be read or downloaded from:

http://customs.hmrc.gov.uk/channelsPortalWebApp/channelsPortalWebApp.portal?_nfpb=true&_pageLabel=pageLibrary_PublicNoticesAndInfoSheets&propertyType=document&columns=1&id=HMCE_CL_000097

The two schemes mentioned overleaf provide refunds of some VAT costs on listed church buildings and memorials.

Listed Places of Worship Grant Scheme

Churches that are listed buildings can also benefit from this scheme, which enables them to claim grants towards the cost of VAT paid out on repairs, maintenance or alterations. The Government extended the scheme in October 2013 to include works to pipe organs, turret clocks, bells and bell ropes, and professional fees directly related to eligible building work. Full details, guidance and application forms are available from the LPW website:

www.lpwscheme.org.uk

It is worth checking, as many smaller items, such as murals, fitted kitchens, electrical and plumbing work, decoration, pest control, asbestos removal and damp treatment are all included in the scheme.

This is a helpful support to churches in maintaining their listed buildings for public worship, although claims can only be made in arrears, and as there is a fixed budget, there is no guarantee how big a grant will be received, although it is unlikely to cover the whole amount of VAT expended.

Memorials Grant Scheme

A similar Government scheme operates for churches construction, repairing and maintaining memorials. For full details, guidance and application forms, visit the website:

www.memorialgrant.org.uk

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