HMRC - IPT05450 - Premiums Are Inclusive Of Tax

As explained in IPT03350, ‘premium’ includes IPT.

It is also possible for a premium to include VAT as well as IPT (e.g. because the premium has not been disclosed to the insured party, when sold alongside goods or services liable to the standard rate of VAT). Apart from exceptional circumstances (for example, in cases involving tax avoidance), it is not normally our policy to assess for both VAT and IPT on the same amount. If you come across an instance where an insurance fee/commission appears to be liable to both taxes, please consult the Financial Services Team (see IPT08100) before taking any further action.

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