HMRC - VATSC31000 - Consideration: Other Indicators To Establish Whether There Is Consideration

Further useful pointers, identified in the Apple & Pear Development Council case, to help establish whether there is consideration are as follows.

Indicators of consideration

There must be some form of bargain or transaction between the parties.

A payment should be related to what the payer receives although the fact that people pay the same amount for varying benefits does not stop it from being consideration.

Indicators of no consideration

The absence of any consensual element on the part of the payer.

A lack of control by the payer over the services provided.

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