HMRC - VATSC82090 - British Sky Broadcasting Group Plc (LON/98/889)

This case is an example of using the CPP tests that require analysing all the circumstances in which a transaction takes place and its essential features.

A TV guide was provided to subscribers of a package of broadcasting services. It listed the programmes available on the BSkyB channels and all articles related to programmes on the channels supplied under the package. The magazine was also separately available to buy in shops and BSkyB argued it was a separate zero-rated supply.

The Tribunal considered facts such as the magazine having its own price and being available independently from the package. Also the magazine was physically distinct and was a supply of goods as opposed to the broadcasting supply which was a supply of services.

The Tribunal decided that the magazine was part of the standard-rated broadcasting services. It particularly picked on the part of the broadcasting agreement that stated “We will send you as part of the Service a copy of the Sky TV guide” which was seen as ‘a plain and unvarnished statement of the true legal situation’.

However, a consequence of this case was the Telewest arrangements leading to the Court of Appeal decision on multiple supplies VATSC82150

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