HMRC - VATSC82200 - Everything Everywhere (C-276/09)

This ECJ reference concerned additional charges to customers where there were methods of payment other than direct debit or BACS transfer for mobile telephone services and whether these additional charges were separate supplies.

The court found that customers who paid their bill using a payment method incurring the additional charge did not intend to purchase two distinct supplies (telephone + payment handling service). The principal service provided was that of telephony and the method of payment was not an aim in itself for the customer and therefore it was ancillary to the principal supply of those telecommunications services.

The judgment at para 28 said ‘the receipt of a payment and the handling of that payment are intrinsically linked to any supply of services provided for consideration. It is inherent in such a supply that the provider should seek payment and make appropriate efforts to ensure that the customer can make effective payment in consideration for the service supplied’.

This decision is important as it emphasised the consumer’s point of view being crucial to the decision.

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