HMRC - VATWELF2020 - Which Bodies Provide Exempt Welfare Services?: Brief Background To The Law

Prior to March 2002 Item 9 read as follows:

The supply, otherwise than for profit, by a charity or public body of welfare services and of goods supplied in connection therewith.

This meant that, before 2002, only a charity or a public body operating otherwise than for profit could exempt the supply of welfare services.

With effect from 21 March 2002, Item 9 was amended by Statutory Instrument 2002/762 to include state-regulated private welfare institutions within the description of specified providers. At the same time the condition that services must be provided otherwise than for profit was removed.

A further amendment was made in 2003, by Statutory Instrument 2003/24, which inserted the word agency to Item 9(b). This extended the exemption to state-regulated private welfare agencies such as domiciliary care agencies and fostering agencies. (See VATWELF2080 for further detail about state regulation).

Previous page

Next page