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3. VAT (<https://www.gov.uk/topic/business-tax/vat>)

Guidance

Reliefs from VAT for disabled and older people (VAT Notice 701/7)

Find out about which goods and services for disabled people and people aged 60 or over that you should apply zero or reduced rate VAT.

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Contents

- 1. Overview
- 2. When to zero rate goods and services for disabled people
- 3. Customer eligibility
- 4. Goods eligible for zero rating
- 5. Services of installation, repair, maintenance, warranty and adaptation of goods
- 6. Building and construction
- 7. Emergency alarm call systems
- 8. Miscellaneous
- 9. Reduced rate VAT on mobility aids for older people
- Your rights and obligations
- Help us improve this notice
- Putting things right
- How HMRC uses your information

1. Overview

1.1 What this notice is about

This notice explains:

- which goods and services for:
 - disabled people are zero-rated for VAT
 - older people are reduced-rated for VAT
- the declaration your customer should give to you

Information is also available about computer devices and other electronic devices that are sold as part of an assistive technology system.

1.2 Who should read this notice

Use this notice if you supply:

- goods and services to:
 - disabled people
 - charities which serve the needs of disabled people
- mobility aids to people aged 60 or over

1.3 Terminology

VAT law refers to people who are 'handicapped' and to certain goods designed for severe 'abnormality' and for 'invalids'. HMRC accepts that these terms are not now generally used and can cause offence. HMRC use them in this notice only where it's essential to accurately reflect the wording of the law.

The term 'disabled' is used throughout this notice and means 'handicapped' or 'disabled or chronically sick'.

1.4 The law covering this notice

The VAT Act 1994:

- Section 30 holds that, goods and services specified in Schedule 8 to the Act are zero-rated
- Section 29A holds that goods and services specified in Schedule 7A to the Act are reduced-rated
- Schedule 8, Group 12 (as amended by SI 1997/2744, SI 2000/805, 2001/754, 2002/1397 and 2002/2813) specifies the zero-rated goods and services explained in this notice
- Schedule 7A, Group 10 specifies the reduced-rated goods and services explained in this notice

2. When to zero rate goods and services for disabled people

2.1 When supplies can be zero-rated

Supplies of goods and services are only zero-rated when all of the following conditions are met, the:

- customer is eligible to buy supplies at the zero rate, see section 3
- goods are for the personal or domestic use of the customer, see paragraph 3.4
- goods and services are eligible to be supplied at the zero rate, see paragraph 2.4

2.2 How the customers get the VAT zero rate

Zero rating works by the supplier not charging VAT.

If you charge VAT incorrectly, make an adjustment to your VAT records and refund the VAT to your customer.

More details of how this is done are in [How to correct VAT errors and make adjustments or claims \(VAT Notice 700/45\)](https://www.gov.uk/government/publications/vat-notice-70045-how-to-correct-vat-errors-and-make-adjustments-or-claims) (<https://www.gov.uk/government/publications/vat-notice-70045-how-to-correct-vat-errors-and-make-adjustments-or-claims>).

HMRC cannot make refunds directly to your customers.

2.3 Who should decide whether goods or services qualify for zero rating

You, the supplier, are responsible for making sure that your customer meets all the conditions for zero rating.

You may not know whether the equipment or appliance is designed solely for use by disabled persons and eligible for VAT relief. In such cases, it may help if you get written confirmation of the designer's intention or the design specification of the product from the manufacturer.

HMRC will not ordinarily provide binding VAT rulings to a retailer or distributor on the eligibility of specific items for VAT relief. See paragraph 4.5.3.

2.4 Goods and services for disabled people that are zero-rated

Not all goods and services for disabled people are zero-rated.

This list gives a summary of the goods and services that can be zero-rated and where in this notice the details can be found:

- adaptation of goods – paragraph 5.4
- adapted motor vehicles – paragraph 4.1
- boats – paragraph 4.4
- building works:
 - ramps, widening doorways and passages – paragraph 6.2
 - bathrooms, washrooms and lavatories – paragraph 6.3 and paragraph 6.4
 - lifts – paragraph 6.5
 - preparatory, restoration and making goods – paragraph 6.6
 - goods supplied in connection with the construction services in previous bullet point – paragraph 6.8
 - grant-funded building work – paragraph 6.9
- emergency alarm call systems – section 7
- hydrotherapy pools – paragraph 4.11
- installation of goods – paragraph 5.1
- low vision aids – paragraph 4.8
- medical and surgical appliances – paragraph 4.2
- mobility scooters – paragraph 4.10
- other equipment and appliances designed solely for use by disabled people – paragraph 4.5
- parts and accessories – paragraph 4.9
- repair and maintenance of goods – paragraph 5.2
- specialist adjustable beds, chair lifts, hoists and sanitary devices – paragraph 4.3
- specialist computer devices – paragraph 4.6

3. Customer eligibility

3.1 Who can buy zero-rated goods and services

VAT reliefs for disabled people are not means-tested. They are not dependent on the benefits a disabled person may or may not get and a person does not have to be registered disabled in order to qualify. You can only zero rate supplies to:

- disabled people – see paragraph 3.2
- charities – see paragraph 3.3

As a supplier you should take reasonable steps to check that your customer is eligible to receive your goods or services at the zero rate.

3.2 Supplies to disabled people

You can only zero rate supplies to disabled people when the:

- person is 'chronically sick or disabled'
- goods or services are eligible for VAT relief – see section 4
- goods and services are bought or acquired for their personal or domestic use – see paragraph 3.4

3.2.1 What 'chronically sick or disabled' means

A person is 'chronically sick or disabled' if they are a person with a:

- physical or mental impairment which has a long-term and substantial adverse effect on their ability to carry out everyday activities
- condition which the medical profession treats as a chronic sickness, such as diabetes

It does not include an elderly person who is not disabled or chronically sick or any person who's only temporarily disabled or incapacitated, such as with a broken limb.

If a parent, spouse or guardian acts on behalf of a 'chronically sick or disabled' person, your supply is treated as being made to that 'chronically sick or disabled' person.

HMRC cannot offer any specific advice about whether or not any particular individual customer is chronically sick or disabled. See paragraph 3.6 and paragraph 3.9 for further information about customer eligibility.

3.3 Supplies to charities

You cannot zero rate all of the goods and services listed at paragraph 2.4 to all charities. So you should take extra care in checking that a charity is eligible for VAT relief before zero rating your supply.

Supplies of goods listed at paragraph 2.4 to charities will only qualify for VAT relief where the goods are made available by the charity to a disabled person for their personal or domestic use – see paragraph 3.4.

There are certain other circumstances when supplies of goods listed at paragraph 2.4 will qualify for VAT relief – see How VAT affects charities (VAT Notice 701/1) (<https://www.gov.uk/guidance/how-vat-affects-charities-notice-7011>) and Charity funded equipment for medical and veterinary uses (VAT Notice 701/6) (<https://www.gov.uk/guidance/charity-funded-equipment-for-medical-and-veterinary-uses-notice-7016>).

3.3.1 Charities

Charities are non-profit distributing bodies established to advance education, advance religion, relieve poverty, sickness or infirmity or carry out certain other activities beneficial to the community.

For tax purposes, HMRC accepts that bodies have charitable status when they're registered with the Charity Commission, or are recognised as a charity by HMRC. Not all non-profit making organisations are charities. Charities claiming VAT relief can demonstrate 'charitable status' with their Charity Commission registration number or with HMRC's letter confirming charitable status. Charities that are not registered with the Charity Commission or do not have HMRC's letter should contact us to apply for recognition. Find out how to apply in the charities and tax (<https://www.gov.uk/charities-and-tax/get-recognition>) guidance.

More information on VAT reliefs available for charities is contained in How VAT affects charities (VAT Notice 701/1) (<https://www.gov.uk/guidance/how-vat-affects-charities-notice-7011>).

3.4 What 'domestic or personal use' means

'Domestic or personal use' means that the supply is needed specifically for the use of a disabled individual or series of disabled individuals.

The following are excluded from the term 'domestic or personal use', and not eligible for VAT relief:

- goods and services used for business purposes
- supplies of eligible goods made widely available for a whole group of people to use as they wish, for example, a stair lift installed in a charity building and made available for the general use or convenience of all those chronically sick or disabled persons who might need it, rather than for the personal use of specified individuals
- goods and services supplied to:
 - an inpatient or resident of a hospital or nursing home
 - any person attending the premises of a hospital or nursing home for care or treatment
 - any other person or commercial establishment, with the exception of a charity, where the goods are for use by, or in connection with, care provided to an inpatient or resident of a health institution or to a patient whilst attending the premises of a health institution where the items are intended for use in the care or treatment provided in the relevant hospital, nursing home or health institution

For more information see Health institutions supplies (VAT Notice 701/31) (<https://www.gov.uk/guidance/vat-liability-of-health-institutions-supplies-notice-70131>).

3.5 Who must pay for the eligible goods and services

As a general rule, anyone can pay for the eligible goods and services. But there are special rules that apply to supplies of certain types of equipment paid for or arranged by:

- the National Health Service (NHS)
- non-charitable hospitals
- certain other non-charitable institutions that provide nursing or residential care

For more information on these rules see Health institutions supplies (VAT Notice 701/31) (<https://www.gov.uk/guidance/vat-liability-of-health-institutions-supplies-notice-70131>).

3.6 Evidence you should hold to show your customer is eligible

HMRC does not supply an 'exemption certificate' to the customer for this purpose. But you should get a written declaration from each customer confirming that the person is entitled to VAT relief. This should hold enough information to demonstrate that a customer fulfils all the criteria for eligibility. HMRC cannot say whether a person is chronically sick or disabled.

The declaration should be separate, or clearly distinguishable from, any order form or invoice against which the goods or services are supplied.

A customer signing an order should not automatically be signing a declaration of eligibility for VAT relief.

There's a suggested template (<https://www.gov.uk/government/publications/vat-reliefs-for-disabled-people-eligibility-declaration-by-a-disabled-person>) declaration form that may be copied or otherwise reproduced by you or the customer.

There is no need to get such a declaration from a disabled customer who's buying eligible goods or services funded by the Disabled Student's Allowance (DSA). This is because only eligible persons are entitled to DSA. Keep evidence that the goods or services were funded by DSA.

3.7 If a customer cannot make a written declaration

It may not always be possible for a disabled person to sign a declaration, for example, if the person is a child or cannot write. In such cases, you can accept the signature of a parent, guardian, doctor or another responsible person on the declaration.

3.8 Electronic declarations

You can accept electronic declarations, for example, over the internet or by fax. Not all electronic declarations will have the means to incorporate a signature. In these circumstances it's important that you keep evidence of the origin of the document, such as the email message incorporating the sender's address.

Electronic declarations should be distinguishable from an order form or invoice. Keep these records for the same period as your general VAT accounts and records, and if held electronically, check that you can produce them in hard copy.

3.9 Use and misuse of declaration forms

A declaration is only a statement that your customer is entitled to get zero-rated goods and services and what they will use them for. It does not mean that the goods and services themselves fulfil all the conditions for zero rating.

You can ask for further evidence of eligibility to support your customer's declaration. If you believe an eligibility declaration to be inaccurate or untrue, do not zero rate your supply. You should also take care that procedures, forms and literature do not encourage or lead customers to make such a declaration. There are penalties for knowingly accepting false declarations and for fraudulent evasion of VAT.

4. Goods eligible for zero rating

4.1 Adapted motor vehicles for disabled wheelchair users

Information on adapted motor vehicles for disabled wheelchair users is available in VAT relief on adapted motor vehicles for disabled people and charities (VAT Notice 1002) (<https://www.gov.uk/guidance/vat-relief-on-adapted-motor-vehicles-for-disabled-people-and-charities-notice-1002>).

4.2 Medical and surgical appliances

4.2.1 General

A medical or surgical appliance is a device or piece of equipment that's designed solely for the relief of a severe abnormality or a severe injury.

Examples of severe abnormalities or severe injuries include amputation, rheumatoid or severe osteo-arthritis, severe disfigurement, congenital deformities, organic nervous diseases, learning disabilities and blindness.

4.2.2 Eligible items

Examples of zero-rated appliances include:

- artificial limbs
- artificial respirators
- heart pacemakers
- invalid wheelchairs and certain invalid carriages, see paragraph 4.10
- leg braces
- neck collars
- oxygen concentrators
- renal haemodialysis units
- specialist clothing
- specialist footwear

- wigs

4.2.3 Non-eligible items

Examples of goods that are not zero-rated include:

- plates or pins for use in repairing broken bones, bandages, plasters or other wound dressings as they're not designed solely for relief of severe abnormality or severe injury
- medical or surgical goods that are not designed solely for the relief of a severe abnormality or severe injury, particularly those used in cosmetic surgery, such as breast implants
- dentures – but these are VAT exempt when they are supplied by dentists, dental auxiliaries or dental chemists – see Health professionals and pharmaceutical products (VAT Notice 701/57) (<https://www.gov.uk/guidance/health-professionals-pharmaceutical-products-and-vat-notice-70157>)
- spectacles and contact lenses

4.2.4 Zero rating the supplies of medical or surgical appliances

You can zero rate the supply of a medical or surgical appliance to a disabled person as described in paragraph 3.1 only if they're sold without the need for the disabled person to attend a hospital, nursing home or similar institution for their fitting.

This means that you should charge the standard rate of VAT on the supply to a disabled person of any of the goods listed in paragraph 4.2.2 if a disabled person needs to attend a hospital, nursing home or similar institution for their fitting.

4.3 Electrically or mechanically adjustable beds, chair or stair lifts, hoists and lifters, sanitary devices

You can zero rate the supply to an eligible person as explained in paragraph 3.1 of:

- an electrically or mechanically adjustable bed designed for invalids
- a stair lift or a chair lift designed for use in connection with a wheelchair (it is not necessary for the lift to carry the person whilst seated in the wheelchair)
- a hoist or lifter designed for use by invalids – this includes riser-recliner chairs, sometimes also called lift and tilt chairs, but does not include recliner chairs which do not have the lift or tilt facility
- commode stools, commode chairs or devices with a warm air drier and bidet jet incorporated, frames or other devices to help sitting on or rising from a sanitary appliance

A bed will not be eligible for relief unless it clearly stands out as being something specialised for the use of invalids such as being similar to a hospital bed. As well as being electrically or mechanically adjustable, it should have specific design features that distinguish it from a standard bed, such as being:

- fitted with cot sides
- height adjustable

A mattress is only eligible for this relief if it's either:

- supplied as part of a single supply of a qualifying bed
- designed solely for use by a disabled person, see paragraph 4.5

4.4 Boats

You can zero rate the supply to an eligible customer (as explained in paragraph 3.1) of a boat which is designed or prior to supply or import is substantially and permanently adapted, for use by disabled persons or to carry disabled persons. To qualify for relief, a boat should include all or most of the following features:

- a ramp for wheelchairs
- lifts and level non cambered surfaces to accommodate wheelchair movements
- specialised washing and lavatory facilities accessible to disabled people
- specially equipped galley and sleeping areas and steering facilities designed for use by disabled people
- handrails
- wheelchair clamps
- steering or other controls adapted for use by disabled people

If the boat does not meet these conditions, it may still qualify for VAT zero rating under a separate relief, see Ships, aircraft and associated services (VAT Notice 744C) (<https://www.gov.uk/guidance/ships-aircraft-and-associated-services-notice-744c>) or Caravans and houseboats (VAT Notice 701/20) (<https://www.gov.uk/guidance/vat-treatment-of-caravans-and-houseboats-notice-70120>).

4.5 Other equipment and appliances ‘designed solely’ for use by a disabled person

4.5.1 General

You can zero rate the supply to an eligible customer (as explained in paragraph 3.1) of any other equipment and appliances that have been designed solely for use by disabled people.

Equipment or appliances designed for general use or designed for use by disabled and able-bodied people alike will not qualify for VAT relief.

But equipment which has been designed solely for use by disabled people will stay eligible for relief even if it's available to be bought by people who do not have a disability, although you can only zero rate supplies which are made to eligible customers as explained in paragraph 3.1.

It is not enough to qualify for relief that the general or standard equipment or appliance:

- is sold to or for use by a disabled person
- may help a person in coping with their disability
- is essential for persons with disabilities

For example, general purpose equipment such as most computer hardware, air conditioning, orthopaedic beds, or reclining chairs may benefit a disabled person, but cannot be zero-rated because they're not designed solely for disabled people.

4.5.2 Meaning of ‘designed solely for use by a disabled person’

This means the original intention of the designer was to produce equipment or an appliance designed solely to meet the needs of persons with one or more disabilities.

The product will only satisfy this condition if its design succeeds in actually meeting the needs of disabled persons.

There are a number of conditions which may, but do not invariably result in disability – such as:

- asthma
- psoriasis
- dyslexia

Equipment which meets the needs of people with such a condition will only qualify for zero rating if designed solely for the purpose of meeting the needs of disabled sufferers of the condition.

4.5.3 Who determines if the goods are eligible

It's only the designer or manufacturer of the goods who's able to determine whether the goods are designed solely for use by a disabled person. They will need to keep evidence which demonstrates the purpose for which they were designed and that the goods in question fulfil the conditions for relief. This evidence may include records from the design period on:

- the disability needs to be addressed
- the product specification for meeting those needs
- results of tests demonstrating that the product meets the design intention
- patent or patent application

If you're not the designer or manufacturer and you think that the equipment or appliances you're selling have been designed solely for use by a disabled person, you should ask the manufacturer whether this is in fact the case. The manufacturer's advertising literature will sometimes contain a statement that the equipment has been designed solely for use by disabled people.

If the VAT liability of a product is still unclear, the manufacturer should send details as outlined to the Disabled VAT Reliefs Team (<https://www.gov.uk/government/organisations/hm-revenue-customs/contact/vat-reliefs-for-disabled-and-older-people>) for advice on whether the product satisfies the full conditions for relief.

4.5.4 Equipment and appliances that qualify for relief

Examples:

- Braille embossers
- incontinence products
- long handled pick up sticks
- text telephones
- whistling cups for blind people
- white canes for blind people
- vibrating pillows for deaf or hard of hearing people
- transcutaneous electrical nerve stimulator
- wheelchairs

Eligible incontinence products, for retail sale to disabled people, are zero-rated on the shelf. In practice, this means that individual customers do not need to provide a written declaration to the retailer confirming they're eligible for VAT relief.

Supplies of eligible incontinence products over the internet or by mail order also qualify for VAT relief as long as they're made to disabled people.

HMRC will expect retailers, internet and mail order suppliers to have a signed declaration, or other supporting evidence that the supply is to a disabled person for customers who buy more than:

- 200 disposable pads
- 50 washable pads
- 5 collecting devices
- 10 pairs of waterproof or leak-proof underwear

You're expected to get a signed declaration (<https://www.gov.uk/government/publications/vat-reliefs-for-disabled-people-eligibility-declaration-by-a-charity>) or other evidence from your customer confirming that the products are being bought by a disabled person for their personal or domestic use.

Suppliers can also zero rate the supplies of incontinence products made to charitable institutions. But the relief does not apply to any supplies made to or for the NHS or non-charitable nursing homes and hospitals or other similar institutions.

If you have identified your customer as a non-charitable institution all supplies of incontinence products are standard-rated regardless of the amount of the order.

4.5.5 Products which do not qualify for relief

Examples:

- most hearing aids (see paragraph 4.7 for exceptions)
- contact lenses
- dentures (see paragraph 4.2.3)
- spectacles

These items are specifically excluded from this relief by law.

4.6 Computer devices and other electronic devices

Computer devices and systems are increasingly being used as aids to disability. Most are general use products which may be useful for disabled people but are designed to be used by disabled and non-disabled people alike.

These include:

- desktops
- laptops
- tablets
- smartphones
- e-readers

Such products can only be bought VAT free when they're sold as part of an assistive technology system.

Assistive technology involves the pre-installation of specialist software which is specifically required by the disabled individual. Where such a purchase is made, the complete system will be defined as designed solely for use by that disabled person, and will be eligible for the relief.

Where an assistive technology system can be zero-rated, other supplies and services, including training, may also be zero-rated if they're made as part of a single supply, and support the main supply of the assistive technology system. Electronic downloads are treated as electronically supplied services, and are always standard-rated.

There is more guidance on single and multiple supplies in the VAT guide (VAT Notice 700 (<https://www.gov.uk/guidance/vat-guide-notice-700#section8>)).

The relief does not extend to the separate purchase of other goods or services, such as training or downloaded software licenses that are not pre-installed. These will be treated as standard-rated supplies unless they attract a relief in their own right, like software (not downloads) that is designed solely for use by disabled people.

4.7 Auditory training aids for deaf children and equipment to aid the hard of hearing

You can zero rate the supply to an eligible customer as explained in paragraph 3.1 of hearing aids designed for the auditory training of deaf children. These are usually elaborate and expensive audio training systems used by teachers, parents and guardians to give deaf children with little residual hearing at least the possibility of acquiring adequate speech. This equipment consists of an earpiece receiver worn by the child, linked by wire, radio or induction loop to a microphone transmitter worn by the teacher, parent or guardian. This arrangement permits direct communication without distortion or interference from other noise.

Although standard hearing aids are excluded from relief, see paragraph 4.5.5, certain specialist equipment designed for people with severely defective hearing which do not constitute 'hearing aid' as the term is generally used may be zero-rated. These include:

- tinnitus maskers – earpieces which generate a constant noise to mask the effect of ringing in the ears
- induction loops – but public address systems will not qualify for VAT relief covered in this notice
- TV hearing aids – amplifiers and earpieces which may be connected to a TV set, radio or hi-fi to enable a person with hearing loss to hear the sound without turning up the volume
- bone implant attachments – these are fixed behind the ear of a disabled person to allow sound conjunction through the bone rather than through the middle ear

4.8 Low vision aids

Corrective spectacles and contact lenses are not relieved from VAT. But you may zero rate the supply to an eligible customer as defined in paragraph 3.1, of other types of low vision aids. This equipment tends to fall into 2 categories:

- spectacle mounted low vision aids which are custom made to the prescription of a qualified optician where the prescription identifies the appliance as a low vision aid
- other low vision aids including technical aids for reading and writing, which are designed exclusively for visually impaired people, for example, closed circuit video magnification equipment capable of magnifying text and images

4.9 Parts and accessories

You can zero rate parts and accessories which you supply to an eligible customer as defined in paragraph 3.1. This is as long as the parts and accessories were designed solely for use in or with goods which themselves qualify for VAT relief as described elsewhere in this section.

'Parts' means integral components without which the equipment is incomplete.

'Accessories' means optional extras which can be used to improve the operation of the equipment, or enable it to be used, or to be used to better effect, in particular circumstances.

VAT relief does not apply to the separate supply of general use items such as standard batteries, even if these were bought to be used within an item which is eligible for VAT relief such as a mobility scooter. But if the batteries were solely designed to operate within the eligible item, they would be eligible for relief such as batteries designed solely to be used with electric wheelchairs or mobility scooters. See paragraph 5.5.

4.10 Mobility scooters

These are invalid carriages, which may or may not be mechanically propelled, and are constructed for the carriage of disabled persons suffering from physical disability.

4.10.1 Categories of mobility scooters

Mobility scooters fall within 3 categories:

- class 1 – an invalid carriage which is not mechanically propelled, to all intents and purposes, a wheelchair, it is not constructed or adapted for use on the road
- class 2 – a mechanically propelled carriage which is so constructed or adapted not to exceed 4 miles per hour (mph), it's intended for use on the pavement and not for use on the road
- class 3 – a mechanically propelled carriage which is constructed and adapted for use on the pavement and on the road, it's capable of exceeding a speed of 4mph but incapable of exceeding a speed of 8mph

4.10.2 Zero rating classes of mobility scooters

As classes 1 and 2 mobility scooters are not intended or adapted for use on the road, they're goods of a kind described in paragraph 2.4. You can, therefore zero rate the supplies of classes 1 and 2 mobility scooters when supplied to eligible customers as described in paragraph 3.1.

As class 3 mobility scooters are normally intended or adapted for use on the road, they do not qualify as invalid carriages for the purpose of VAT relief. But you can zero rate a class 3 mobility scooter that's designed solely for use by disabled persons, see paragraph 4.5.

Golf buggies are not eligible for relief.

4.11 Hydrotherapy pools

A hydrotherapy pool which incorporates certain features can be zero-rated if it's supplied to an eligible customer as explained in paragraph 3.1 for their personal use.

4.11.1 Types of hydrotherapy pool that are eligible for zero rating

When determining the liability of a hydrotherapy pool, you will need to differentiate between the features the pool incorporates at the time of supply and any subsequent services of adaptation. For example, the installation of a fixed hoist provided after the initial supply of the pool will have no bearing on the liability of the hydrotherapy pool itself. The liability will be based upon the bespoke pool supplied and not further adaptations made.

An eligible hydrotherapy pool will be significantly different from a normal pool, hot tub or spa and will typically include all or most of the following features at the time of installation:

- sited indoors
- a lip raised to wheelchair height to avoid people falling into the pool
- easy access to the water for disabled people
- railings at 2 different heights
- shallow rising steps which go up, over and down into the pool
- an invalid hoist in a fixed position so disabled people in wheelchairs can be lifted safely and easily in and out of the pool
- deep enough for disabled person to be helped to walk in it but not so deep that therapists were submerged to above shoulder height
- gradually sloping floor between the shallow and deep ends
- special non-slip floor tiles to provide better grip and prevent accidents
- thermally acoustic cladded walls to reduce muscle spasms in disabled people
- a turn around of water to account for difficulties arising from incontinence
- a feature to enable the water and atmospheric temperature to be maintained at certain temperatures and humidity
- an environmental control system to provide the right water and air temperature and water quality

4.11.2 What is not eligible for relief as a 'hydrotherapy pool'

Swimming and other bathing pools or general spa baths or hot tubs that are not designed solely for disabled people do not qualify for zero rating unless they're installed as part of eligible building work as explained in paragraph 6.3.

4.12 Letting of goods on hire or lease

You can zero rate a supply on hire or lease to an eligible customer of any goods described as eligible for VAT relief in paragraphs 4.2 to 4.11.

5. Services of installation, repair, maintenance, warranty and adaptation of goods

5.1 Installing goods

You can zero rate services, to an eligible customer as defined in paragraph 3.1 of installing any of the goods described in section 2 of this notice as long as the goods that are being installed are:

- themselves eligible for relief (or are parts and accessories of such an item) as explained within this notice
- not paid for or arranged by the NHS, any other hospital or nursing home

Examples of services of installation which can be zero-rated when supplied to an eligible customer include:

- plumbing in an eligible sanitary appliance
- wiring up an eligible electrically adjustable bed
- installing a chair lift

5.2 Repairing and maintaining goods

You may zero rate the supply to an eligible person of your services of repairing or maintaining any of the goods specified in section 4.

5.3 Warranty

Warranty offers protection for an uncertain event and is a means of making up for the loss suffered as a result of an uncertain event.

Customers may often be offered a guarantee or warranty against faults to products. This is normally applied automatically to supplies of goods at no extra cost to the buyer for a 12-month period so there is no VAT implication in this case.

5.3.1 Extended warranty

Customers may also be given the option of extending the warranty for a further period of 1 to 5 years in respect of goods supplied to them. The extended warranties cover faults to the products that may develop after the initial warranty period. There's normally a charge for extended warranties and this may be offered at the point of sale or at a later date.

5.3.2 Whether extended warranty is a supply of insurance services

Suppliers should consider what is being supplied, whether or not the guarantee or warranty is written under contracts of insurance. If it's written under contracts of insurance, the supply is an exempt insurance service and cannot be zero-rated under these reliefs. See Insurance (VAT Notice 701/36)

(<https://www.gov.uk/guidance/insurance-notice-70136>).

5.3.3 Whether an extended warranty is a supply of repair or maintenance

A payment for the right to a service that may or may not be needed is not a supply of repair or maintenance. The customer is paying in advance to guard against loss that may or may not occur.

But if there's a clause which provides for the regular servicing of an eligible product during the period of the extended warranty, then HMRC will consider whether it constitutes a supply of maintenance.

5.4 Adapting goods

You can zero rate the service of adapting any general purpose goods so that those goods suit the condition of a disabled person, as long as the supply is to a:

- disabled person
- charity which is making the adapted goods available by sale or otherwise to a disabled person

This relief applies only to the service of adaptation. The goods being adapted will not qualify for relief. A typical example is the replacement of a manual garage door with a door which has been automated due to a person's disability. The replacement garage door itself is not eligible for relief but any separate service of making the door automated to meet the needs of a person's disability is eligible for zero rating.

Where you supply the goods yourself and have adapted them prior to the supply, you should apportion the value of the supply between the cost of the un-adapted standard-rated goods and the cost of the zero-rated service of adaptation. You will find further information concerning the apportionment of supplies between standard and zero-rated elements in the VAT guide (VAT Notice 700) (<https://www.gov.uk/guidance/vat-guide-notice-700>).

Separate rules apply to the sale of substantially and permanently adapted motor vehicles, see VAT relief on adapted motor vehicles for disabled people and charities (VAT Notice 1002) (<https://www.gov.uk/guidance/vat-relief-on-adapted-motor-vehicles-for-disabled-people-and-charities-notice-1002>).

5.5 Goods provided in the course of adaptation or repair and maintenance services

Excluding the goods being adapted, you can zero rate any goods that you necessarily supply in the course of a supply of adaptation or repair and maintenance, where these services qualify for VAT relief as explained in paragraph 5.2 and paragraph 5.4.

For example, a general purpose battery may be zero-rated when supplied as part of a wider service of repair and maintenance of a zero-rated mobility scooter. But zero rating will not apply when a general purpose battery is simply supplied to a disabled person. In such circumstances, the main supply is not one of repair and maintenance but a supply of a standard-rated product.

6. Building and construction

6.1 General

Certain building work is zero-rated in its own right whether or not the buildings include special features that can be used by disabled people, for example the construction of new dwellings. You will find further information on general rules relating to the VAT liability of building work in Notice 708: buildings and construction (<https://www.gov.uk/government/publications/vat-notice-708-buildings-and-construction>).

If you supply services of construction or building services that would usually be standard-rated, this section explains the circumstances in which you may zero rate your supplies.

6.2 Ramps, doorways and passages

You may zero rate the service of constructing a ramp or widening an existing doorway or passage but not the construction of a new doorway or passage, as long as the work is done to help a disabled person gain access to, or move about within the building and in the case of a:

- supply to a disabled person, the building is their private residence – a private residence includes the garden, yard, outbuildings, detached garages and even an orchard as well as the home
- charity, the building may be any building

Construction of a ramp does not include the lowering of a doorway threshold or the construction of a vehicle driveway.

Widening a passage includes the widening of an existing:

- room through which a disabled person passes to gain access to another room, for example, a bedroom which has an en suite facility
- path across a disabled person's garden but not the construction of a new path

Widening a doorway does not include replacing a window with a new doorway.

6.3 Bathrooms, washrooms and lavatories

6.3.1 General

You can zero rate the services of providing, extending or adapting a bathroom, washroom or lavatory as long as the work is necessary to suit the condition of a disabled person and in the case of a supply to a:

- disabled person, the building is their private residence, a private residence includes outbuildings as well as the home – see paragraph 6.3.2
- charity, the building is either:
 - residential accommodation
 - a day centre where at least one-fifth (20%) of the individuals using the centre are disabled persons

Zero rating applies even if the residential home or the other buildings mentioned are not managed or used by the charity to which you make your supply. But many residential homes are not operated by charities and not all housing associations are charities.

In the case of eligible building work supplied to charitable housing associations, you should be able to demonstrate that the work is being carried out to suit the condition of a disabled individual and arrange for the completion of a declaration in respect of each disabled person. Declarations that cover work for more than one disabled person are not acceptable.

6.3.2 Definitions

For the purposes of this relief:

- bathroom includes a shower or 'wet' room
- washroom means a room containing a lavatory or washbasin (or both) but not containing a bath or shower or cooking, sleeping or laundry facilities
- lavatory is a room containing a toilet and possibly, but not always a washbasin

- residential accommodation includes permanent or temporary accommodation in a residential home, self-contained living accommodation or an establishment providing respite care, it does not include an inn, hotel, boarding house or similar establishment or accommodation in any such type of establishment
- 'private residence' means where a person lives, it cannot be a communal residence such as a nursing home or other public building – the disabled person or their family will have control over the residence rather than being simply one of a number of unconnected occupants – it does not have to be the sole or permanent residence of the disabled person, for example if a disabled child regularly stays overnight at their grandparents' private residence, zero rating will apply to any qualifying building work there which is necessary to suit their condition
- 'day centre' is a centre which provides amenities or supervision for disabled people – a qualifying centre will be a place where disabled people receive day care and not a centre such as an educational establishment or a church which exists to provide facilities for general use, to both able-bodied and disabled persons

6.3.3 Additional construction work – 'lost space'

In the course of a zero-rated supply to a disabled individual, as detailed in paragraph 6.3.

Whilst the law applies the zero rate to the installation, extension or adaptation of a bathroom, washroom or lavatory (paragraph 6.3), HMRC interprets this to include works that are necessary to restore lost space within the customer's private residence.

The following explains how the zero rate applies to such works:

- (a) Where a bathroom, washroom or lavatory has been installed, extended or adapted in a disabled person's private residence, because of their condition, the work may be zero-rated (see paragraph 6.3).
- (b) If the works involved have reduced the size of another room within that private residence there will be 'lost space'.
- (c) The works necessary for making good that 'lost space' can be regarded as part of the work essential to the provision of the bathroom, washroom or lavatory. The restoration of that 'lost space', but only that 'lost space', by restoring the room itself to its original size, can also be zero-rated. This can be done through internal works or by extending outwards or upwards.
- (d) The zero rate does not extend beyond the reinstatement of the 'lost space', so everything else, including converting another room in the residence to replace the lost room, will be standard-rated.
- (e) If the works go further than the 'lost space' amount, that extra new space must be treated as standard-rated. An apportionment of the zero and standard-rated parts must be made, and further details can be found in VAT guide (VAT Notice 700) (<https://www.gov.uk/guidance/vat-guide-notice-700>).
- (f) The 'lost space' amount that can be zero-rated must follow the exact specifications in floor measurements, or room volume, of the area lost.
- (g) The application of the zero rate in these circumstances only applies to the reinstatement of 'lost space' in terms of building works. It does not extend to fixtures, fittings, units, and so on. However, the zero rate does apply to the provision of utilities that were available in the original converted room.

6.4 Washrooms and lavatories but not bathrooms

Services to a charity of providing, extending or adapting a washroom or lavatory, but not a bathroom, can be zero-rated as long as the:

- service is necessary to facilitate the use of the washroom or lavatory by a disabled person
- work is carried out in a building, or part of a building used principally by a charity for charitable purposes

6.5 Installation or repair and maintenance of lifts

You may zero rate services you necessarily have to perform in the installation or repair and maintenance of a lift as long as you make the supply to a disabled person or to a charity, and in the case of:

- a disabled person, the lift you install is designed to help that person move between different floors of their private residence
- a charity, the lift is installed in a day centre, see paragraph 6.3, or a building in which the charity provides either temporary or permanent residence for disabled people and is installed for the purpose of facilitating the movement of disabled persons between the floors of that building, but zero rating does not apply to a lift installed in other types of charity building
- other charity buildings, you may zero rate the supplies of chair or stair lifts and lifts designed solely for use by disabled persons, where the lifts have been installed to meet the needs of specified disabled individuals – see paragraph 4.3 and paragraph 3.4

6.6 Preparatory, restoration work and making good

Where building work described as eligible for VAT relief in paragraph 6.2, paragraph 6.3, paragraph 6.4 and paragraph 6.5 needs preparation and necessary restoration work, you can also zero rate your supply of these services.

For example, with the widening of an existing doorway for an eligible customer, you can zero rate the removal of bricks and mortar, the supply and fit of a wider door, the installation of a new frame and surround and the restoration of the immediate decor.

Similarly if you have provided, extended or adapted a bathroom, washroom or lavatory and supplied this service to an eligible person, you can also zero rate other work essential to providing those facilities such as installation of porcelain goods. This may also include the preparation of footings, including ground levelling, work linked to providing water, gas, electricity and drainage as necessary and the restoration of the immediate decor, including retiling.

6.7 Construction and professional services not covered by this relief

Only building alterations described in paragraph 6.6 qualify for relief under the terms of this notice. Other services you may perform, for example, the installation of central heating boilers, replacement windows or doors or the provision, extension or adaptation of bedrooms, dining, living or utility rooms, offices, kitchens or carer's rooms are not zero-rated, even if the work you perform is to suit the needs of a disabled person. But individual items of equipment which you may supply together with services necessarily performed in the course of installation may qualify for zero rating as explained in section 2, section 4 and section 5.

Services of an architect, surveyor or any person acting as a consultant or in a supervisory capacity even when supplied in connection with a supply of qualifying building services are standard-rated unless supplied as part of a single 'design and build' type arrangement. See Notice 708: buildings and construction (<https://www.gov.uk/government/publications/vat-notice-708-buildings-and-construction>) for further details.

Subsequent work of repair or maintenance in areas where eligible building work was previously carried out is not eligible for relief unless the work involves goods which are eligible for relief in their own right. For example, the retiling of a bathroom which was originally provided at zero rate is not eligible for relief but the subsequent repair or replacement of an eligible sanitary device, as per paragraph 4.3, is eligible for relief.

Charities may be entitled to VAT zero rating on construction services covered by other provisions. You will find out more about this in Notice 708: buildings and construction (<https://www.gov.uk/government/publications/vat-notice-708-buildings-and-construction>).

6.8 Goods supplied in connection with construction services

If you're VAT registered and you supply goods such as building materials in connection with your supply of the services described in paragraph 6.2, paragraph 6.3, paragraph 6.4 and paragraph 6.5, you may zero rate those goods as long as the construction services in question are properly eligible for zero rating.

6.8.1 If building materials or other goods used for qualifying building work are bought by a disabled person or charity

When the relevant building materials or other goods are bought by a disabled person or charity themselves for use by their professional building contractor, a builders' merchant or similar can zero rate their supply of the goods only if they're satisfied that the actual building work will qualify for zero rating and can demonstrate that subsequently to visiting officers. You may wish to ask your customer to obtain a written 'statement of works' from the builder for this purpose.

When the materials are bought by a disabled person or charity in connection with building works which will be performed by a friend, neighbour or family member for free, or in a DIY capacity by the disabled person or charity themselves, the supply of the materials is not eligible for the relief. This is because there is no subsequent supply of zero-rated construction services to which these materials can be 'connected'.

6.9 Grant-funded building work

A disabled person may qualify for a Disabled Facilities Grant towards the cost of providing adaptations and facilities in their private residence to enable them to continue living there. Their local council may pay the grant direct to the:

- disabled person
- contractor

If the grant is paid to you as the contractor, you should make sure that the invoice clearly states that the work was done for the individual disabled person to whom the grant was awarded.

6.10 If your customer dies before qualifying building work is completed

If a disabled person dies before the building work is completed, the supply can still be zero-rated as long as you're satisfied that the person for whom the qualifying building alterations were being undertaken was an eligible person. You should also be satisfied that the work was required in relation to a building that the person had occupied as their private residence.

7. Emergency alarm call systems

7.1 General

You can zero rate the supply of an emergency alarm call system designed to be capable of operation by a disabled person. A qualifying system will enable that person to call for help in case of illness, injury or similar emergency to either a specified person or a control centre. The supply of a qualifying system will be eligible for zero rating if it's made to a:

- disabled person for their domestic or personal use
- charity for making available to disabled persons by sale or otherwise for their domestic or personal use

Any services performed by a control centre in receiving and responding to calls received from such an alarm system are also zero-rated, as long as they're supplied to an eligible customer.

Regardless of who the supply is made to, you cannot zero rate the supply of:

- ordinary telephones
- internal communication systems
- intruder alarms which activate bells, lights or sirens
- CCTV systems
- the services of installing ordinary telephone lines

7.2 Specified person or a control centre

This is defined in law as a person who or a centre that:

- is appointed to directly receive calls activated by the alarm system
- keeps information about the disabled person to help them in the event of illness, injury or similar emergency

7.3 Repair and maintenance of eligible alarm systems

VAT relief also applies to any services of repair and maintenance carried out to any items which qualify for VAT relief under paragraph 7.1.

8. Miscellaneous

8.1 Imports into the UK

VAT due on the importation of eligible goods from a place outside the UK and member states of the EU will be relieved under the same conditions as the VAT on supplies made in this country. Eligible customers – see paragraph 3.1, should make a declaration in the form (<https://www.gov.uk/government/publications/vat-reliefs-for-disabled-people-eligibility-declaration-by-a-disabled-person>) and lodge it, before the import takes place, with the import entry declaration made to customs at the port, airport or postal depot of importation.

The importation of goods by a supplier does not qualify for relief in this way. VAT is payable by the supplier at importation, and may be claimed as input tax, subject to the normal rules outlined in the VAT guide (VAT Notice 700) (<https://www.gov.uk/guidance/vat-guide-notice-700>).

Most imports attract Customs Duty. But in certain circumstances this charge is relieved for disabled people. For details on duty relief for goods for blind and other disabled people – see Notice 371: importing goods for disabled people free of duty and VAT (<https://www.gov.uk/government/publications/notice-371-importing-goods-for-disabled-people-free-of-duty-and-vat>).

8.2 Acquisitions from the UK and EU member states

As explained in The single market (VAT Notice 725) (<https://www.gov.uk/guidance/vat-and-the-single-market-notice-725>), a VAT-registered person needs to account for acquisition tax on certain supplies of goods acquired from an EU member state. A VAT-registered charity which is eligible to buy certain goods at the zero rate as explained elsewhere in this notice, can account for tax at the zero rate on its acquisition of such goods.

Persons who are not VAT registered do not have this facility. If they buy goods in an EU member state, they may need to pay tax on those goods in that member state at the prevailing rate. This tax cannot be refunded in the UK. Each EU member state has its own rules about the extent of VAT relief on goods for disabled persons and the reliefs set out in this notice will not apply to supplies made in EU member states.

Where goods are sent by a supplier in an EU member state to someone in the UK who is not VAT registered, special 'distance selling' rules apply and the VAT treatment will vary according to the circumstances.

For further information see The single market (VAT Notice 725) (<https://www.gov.uk/guidance/vat-and-the-single-market-notice-725>).

8.3 Exports and removals of goods from the UK

You can supply goods or services to disabled people from other countries under the conditions set out in this notice.

If you supply goods which do not qualify for this VAT relief, you may still be able to zero rate the supply, subject to certain conditions under the Retail Export Scheme, see Retail Export Scheme (VAT Notice 704) (<https://www.gov.uk/guidance/vat-retail-export-scheme-notice-704>). This scheme applies to retailers who are exporting the goods to a place outside the UK or EU. VAT is due on all other retail sales of standard-rated goods which do not qualify for relief under this notice or as a retail export.

For exports of any goods as freight, see Goods exported from the UK (VAT Notice 703) (<https://www.gov.uk/guidance/vat-on-goods-exported-from-the-uk-notice-703>).

8.4 Other useful information

You can find out about disability benefits and other help available for disabled people from:

- DIAL Network (<http://www.dialuk.info>), an organisation which provides disability information and advice by accessing their website
- Scope (<http://www.scope.org.uk/>), an organisation who offer support to disabled people
- Disability Rights UK (<http://disabilityrightsuk.org/>), an organisation which is led by and for disabled people

9. Reduced rate VAT on mobility aids for older people

Certain mobility aids installed in the home of a person aged 60 or over are subject to reduced rate VAT.

9.1 Who's covered

The reduced rate of VAT applies to your customer if they're aged 60 or over and have a qualifying mobility aid supplied and installed in their own home, or a home shared with friends and relations.

They do not have to order and pay for the supply and installation personally, it can be ordered and paid for by someone else, or a charity, a local authority, housing association or any other organisation. But they cannot benefit from the reduced rate if they're having the work done in a residential home or similar establishment, it has to be in a private home.

Eligible customers will be aged 60 or over at the time when the supply and installation takes place. The reduced rate does not apply if you're simply supplying an eligible item, you have to both supply and install it to apply the reduction.

9.2 Goods that can be supplied and installed at the reduced rate of VAT

You will apply a reduced rate of VAT on the supply and installation of these items:

- grab rails
- ramps
- stair lifts
- bath lifts
- built-in shower seats or showers containing built-in shower seats
- walk-in baths with sealable doors

Repairs of those goods once they have been installed are not eligible for relief and these mobility aids can only be reduced-rated if they're supplied by the installer.

The reduced rate does not apply to general adaptations carried out in the home of a person over 60, such as widening passageways or building extensions.

9.3 How your customer gets the reduced rate

Your customer will need to show that they do qualify. See paragraph 3.6 for more information about declarations. Your customer should give you a written declaration. This declaration should be separate from any invoice, order or other paperwork:

Example

Declaration: Mobility aids for older people

I (full name)

of (the address where the installation is taking place)

declare that I am 60 or over and that this supply and installation qualifies for the reduced rate of VAT in accordance with the Value Added Tax (Reduced Rate) Order 2007.

Signature

Date

If your customer cannot physically complete and sign the declaration, then a declaration by a relative, partner or other responsible person is acceptable.

Your rights and obligations

Read Your Charter (<https://www.gov.uk/government/publications/your-charter>) to find out what you can expect from HMRC and what we expect from you.

Help us improve this notice

If you have any feedback about this notice please email: customerexperience.indirecttaxes@hmrc.gsi.gov.uk.

You will need to include the full title of this notice. Do not include any personal or financial information like your VAT number.

If you need general help with this notice contact the helpline for VAT: reliefs for disabled and older people (<https://www.gov.uk/government/organisations/hm-revenue-customs/contact/vat-reliefs-for-disabled-and-older-people>), if you have another VAT question you should phone our VAT helpline (<https://www.gov.uk/government/organisations/hm-revenue-customs/contact/vat-enquiries>) or make a VAT enquiry (<https://www.tax.service.gov.uk/shortforms/form/VATGenEnq?dept-name=&sub-dept-name=&location=47>) online.

Putting things right

If you're unhappy with HMRC's service, contact the person or office you have been dealing with and they will try to put things right.

If you're still unhappy, find out how to complain to HMRC (<https://www.gov.uk/guidance/complain-to-hm-revenue-and-customs>).

How HMRC uses your information

Find out how HMRC uses the information we hold (<https://www.gov.uk/government/organisations/hm-revenue-customs/about/personal-information-charter>) about you.

Published 18 December 2014

Last updated 26 August 2019 + show all updates

1. 26 August 2019

This notice has been updated with a new sub-section 6.3.3 to clarify when builders can zero rate their work to restore 'lost space' after a bathroom, washroom or lavatory has been installed, extended or adapted in a disabled person's private residence.

2. 29 January 2019

The section 'Help us improve this notice' has been updated to include a link to the relevant contact for VAT reliefs for disabled and older people.

3. 28 January 2019

The section 'Help us improve this notice' has been updated to include a link to the relevant contact for Charities and Community Amateur Sports Clubs.

4. 18 December 2014

First published.

Related content

- Get VAT relief on certain goods if you have a disability (<https://www.gov.uk/guidance/vat-relief-on-certain-goods-if-you-have-a-disability>)
- VAT relief on certain building work if you have a disability (<https://www.gov.uk/guidance/vat-relief-on-certain-building-work-if-you-have-a-disability>)
- VAT relief on adapted motor vehicles for disabled people and charities (VAT Notice 1002) (<https://www.gov.uk/guidance/vat-relief-on-adapted-motor-vehicles-for-disabled-people-and-charities-notice-1002>)
- Exemption and partial exemption from VAT (<https://www.gov.uk/guidance/vat-exemption-and-partial-exemption>)
- VAT reliefs for disabled and older people (<https://www.gov.uk/government/collections/vat-reliefs-for-charities-disabled-and-older-people>)

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- VAT (<https://www.gov.uk/topic/business-tax/vat>)