

VAT

Reduced Rate 5%

The reduced rate has been introduced recently, and due to the potential for political argument it has only been applied to a few previously zero rated items.

The items currently charged at reduced rate are: -

- Domestic fuel or power for “qualifying use”
- Installation of energy saving materials – if installed by a professional, otherwise it is standard rated.
- Grant funded installation of heating equipment or security goods or connection of gas supply
- Renovation and alteration of dwellings
- Residential conversions
- Women’s sanitary products
- Children’s Car Seats
- Condoms (2006 budget)

Further details can be found at: -

<http://www.hmrc.gov.uk/home.htm>