



Kingscrest VAT case – VAT only invoices from welfare providers

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Have you received any VAT only invoices from care homes or welfare service providers? If so you need to consider the VAT implications.

After the Kingscrest VAT case in 2002, a number of care homes and welfare service providers registered for VAT retrospectively and issued VAT only invoices to their customers in respect of services provided up to 2002. The customers involved were usually local authorities and NHS bodies. Although most of these cases were dealt with some time ago, we are aware of some which have issued VAT invoices quite recently.

It is important to be aware that this VAT is not necessarily recoverable and so you need to check the position before agreeing to pay these invoices.

If you would like assistance in dealing with this matter please contact your usual VAT Liaison adviser or our free VAT Helpline on 0800 700 652.