

Financial Guideline 2020/2021 - 25

Voluntary Secondary Schools and Community & Comprehensive Schools

Updated Guidance for Schools on Registering and Accounting for VAT

This guideline supersedes guidelines 21 2018/2019 “VAT treatment of services and goods received from abroad”

1. Introduction

The Revenue Commissioners have issued updated guidance on the VAT treatment of the procurement of certain Goods and Services by a Public Body:

<https://www.revenue.ie/en/tax-professionals/tdm/value-added-tax/part03-taxable-transactions-goods-ica-services/state-procurement/goods-state-procurement.pdf>

2. Updated guidance

The updated guidance has resulted in a change of practice in how schools should account for VAT on purchases from another EU member country from March 2021.

The revised procedure is set out in schedule 1 and schedule 2 of this guideline,

Schedule 1 – Applies to the majority of schools where they are VAT registered **solely** for the purposes of Relevant Contract Tax (RCT) on construction services supplied by a sub-contractor. See page 2 for full details of Schedule 1.

Schedule 2 – Applies to a minority of schools where they are VAT registered for the following reasons:

- the value of the goods it acquires, or is likely to acquire, from other EU Member States (including Northern Ireland), is more than €41,000 in a 12-month period;
- it makes taxable supplies of goods over €75,000 in a 12-month period; or
- it makes taxable supplies of services over €37,500 in a 12-month period.

Schedule 1:

1. School is VAT registered solely for the purposes of Relevant Contract Tax (RCT) on construction services supplied by a sub-contractor.

From March 2021 the school is only accountable for the **Reverse Charge VAT** on services supplied by a sub-contractor.

1.1 Purchase of goods from another EU Country (including Northern Ireland*)

Schools registered for VAT solely for the purposes of reverse charge construction services are **not** obliged to self-account for VAT on goods they purchase from other EU Member States, (including Northern Ireland).

I.E. Where a school buys goods from another EU country or Northern Ireland, the supplier's invoice should be inclusive of VAT at the relevant rate in that EU country. The school should pay the invoice including the VAT to the supplier. No VAT needs to be returned in the VAT return.

1.2 Services received from abroad (excluding construction services)

Schools registered for VAT solely for the purposes of reverse charge construction services are **not** obliged to self-account for VAT on services received from outside the State. The school should pay the invoice including the VAT to the supplier.

1.2.1 Non-resident subcontractors providing construction services

Where a subcontractor who is not resident in the state provides construction services, these services are subject to Relevant Contract Tax (RCT) rules. VAT is due on this supply, even where the subcontractor does not provide an Irish VAT number. Where the invoice for construction operations that is subject to RCT is presented to a school, and the invoice shows a charge to foreign VAT, the foreign VAT should not be paid. The school should calculate the Irish VAT due at 13.5% on the VAT exclusive amount shown on the invoice and show this amount on their VAT return.

1.3 VAT 3 return:

Under the circumstances described above, the only VAT schools need to return is **Reverse Charge VAT** on construction operations. This VAT should be included in the "**T1 box VAT on Sales**". The "**E2 box Total goods from other EU countries**" should be zero, as there is no requirement to account for VAT on goods purchased from the EU.

You should continue to file Nil returns, where there is no VAT liability.

*Northern Ireland continues to be subject to the same EU VAT rules on goods as other EU member states.

Schedule 2

1. School is VAT registered in respect of its taxable supplies of goods or services or purchases of goods from other EU Members States.

A school will be obliged to register for VAT where they meet any of the following criteria:

- it makes taxable supplies of goods over €75,000 in a 12-month period; For example, a school tuck shop with a turnover of over €75,000 or
- it makes taxable supplies of services over €37,500 in a 12-month period. See below what constitutes a taxable supply of services for a school.
- the value of the goods it acquires, or is likely to acquire, from other EU Member States (including Northern Ireland), is more than €41,000 in a 12-month period.

For example, if the school purchases laptops from a German supplier for more than €41,000 in a 12-month period.

Steps for the Principal and board for management to assess taxable supply of services are set out in **Appendix A**.

1.1 Purchase of goods and services from another EU Country (including Northern Ireland*)

A school will be required to account for VAT on goods from another EU Country (including Northern Ireland) and on services received from abroad (Both EU and Non-EU).

1.2 VAT 3 Return

The School must include the VAT on goods from another EU Country (including Northern Ireland) in their VAT return in the taxable period in which the goods were purchased (Box T1 VAT on Sales, in the VAT return). The rate of VAT that applies is the same rate as if the goods or services were purchased in the State.

The “**E2 box Total goods from other EU countries**” should be the total value of goods received from suppliers in other EU countries.

The “**ES2 box Total services from other EU countries**” should be the total value of services received from suppliers in other EU countries.

1.3 Taxable supplies of services

Please see [Financial Guideline 2013/2014 – 09 “VAT on Rental Income from Sports Facilities and Car Parks”](#) for further information on VATable activities in schools.

Further information or clarification on any of the issues raised in this Guideline can be obtained from the FSSU.

Tel: 01-269 0677

info@fssu.ie

12th May 2021

Appendix A

Steps for the Principal and board for management to assess taxable supply of services.

- 1) Boards of management in schools should regularly monitor their annual rental income from all sources i.e., the total income from sports facilities and car parks.
- 2) If the annual rental income is less than €37,500 the school will have no VAT obligations and no action will be required.
- 3) Where the annual rental income exceeds €37,500 the income from sports facilities should be analysed into income from non-profit making organisations and Income from commercial operations.
- 4) Income from rental of sports facilities to non-profit making organisations can be ignored for VAT purposes.
- 5) If the Rental income from commercial operations for sports facilities and car parks combined exceeds €37,500 the board will have to apply VAT of 9% to the rental income from the sports facilities and at 23% on the rental from car parks.
- 6) A sample VAT invoice is attached in Appendix B for schools to issue to commercial rental customers for sports facilities and for all car park rental customers.
- 7) The VAT should be included in the bi- monthly Vat return in the T1 box as VAT on Sales.
- 8) VAT on any relevant expenses should be entered on the VAT return in the T2 box as VAT on Purchases. The school must hold a valid purchase VAT invoice in order to reclaim the VAT charged. Where dual use inputs are used e.g., goods/services used for both a taxable and an exempt activity, a proportion of the VAT may be deducted on the basis of a method of apportionment between taxable and exempt supplies.

Appendix B

Sample VAT invoice

St. Mary's College, Dublin
Voluntary Secondary School

Vat No. 12345678T

Joe Bloggs
Bootcamp Southside
Dublin

April 27, 2021

Invoice Number B00012

Invoice

Charge for the rental of the sports hall for April
(4 days rental for the 3rd, 10th, 17th & 24th of April @ €250 per day) €1000.00

Vat @ 9% €90.00

Total Due €1090.00

=====

NOTE a vat invoice must include the following:

- the date of issue
- a unique sequential invoice number
- the supplier's full name, address and registration number
- the customer's full name and address
- the quantity and nature of the goods supplied or the extent and nature of the services rendered
- the VAT exclusive unit price
- the amount payable net of VAT
- any discounts or price reductions
- the breakdown by the rate of VAT
- the total VAT payable in respect of the supply
- the date on which the goods or services were supplied

Treoirlíne Airgeadais 2020/2021 - 25

Meánscoileanna Deonacha agus Pobalscoileanna agus Scoileanna Cuimsitheacha

Treoir nuashonraithe do scoileanna maidir le CBL a chlárú agus cuntas a thabhairt inti

Tá an treoirlíne seo ag dul in ionad threoirlínte 21 2018/2019 “Ionramháil CBL i dtaca le seirbhísí agus earraí a fuarthas ón iasacht”

1. Réamhrá

Tá na Coimisinéirí loncainm tar éis treoir nuashonraithe a eisiúint maidir leis an ionramháil CBL a bhaineann le hEarraí agus Seirbhísí áirithe a fhaigheann Comhlacht Poiblí:
<https://www.revenue.ie/en/tax-professionals/tdm/value-added-tax/part03-taxable-transactions-goods-ica-services/state-procurement/goods-state-procurement.pdf>

2. Treoir nuashonraithe

Mar thoradh ar an treoir nuashonraithe sin, tá athrú cleachtais i gceist maidir leis an gcaoi ar cheart do scoileanna cuntas a thabhairt in CBL ar cheannacháin ó bhallstát AE eile ó Mhárta 2021.

Tá an nós imeachta nuashonraithe leagtha amach i sceideal 1 agus sceideal 2 den treoirlíne seo,

Sceideal 1 – Baineann seo le tromlach na scoileanna atá cláraithe le haghaidh CBL chun críche Cáin Chonarthaí Iomchuí (RCT) ar sheirbhísí foirgníochta arna soláthar ag fo-chonaraitheoir, agus **chun na críche sin amháin**. Féach leathanach 2 le haghaidh tuilleadh sonraí faoi Sceideal 1.

Sceideal 2 – Baineann seo le mionlach scoileanna atá cláraithe le haghaidh CBL ar na cúiseanna seo a leanas:

- tá luach níos mó ná €41,000 in aon tréimhse 12 mhí amháin ag baint leis na hearraí a fhaigheann siad, nó na hearraí féideartha a gheobhaidh siad, ó Bhallstáit AE eile (lena n-áirítear Tuaisceart Éireann);
- soláthraíonn siad earraí inchánach a sháraíonn tairseach de €75,000 in aon tréimhse 12 mhí amháin; nó
- soláthraíonn siad seirbhísí inchánach a sháraíonn tairseach de €37,500 in aon tréimhse 12 mhí amháin.

Sceideal 1:

1. Tá an scoil cláraithe le haghaidh CBL chun críche Cáin Chonarthaí Iomchuí (RCT) ar sheirbhísí foirgníochta arna soláthar ag fo-chonraitheoir, agus chun na críche sin amháin.

Ó Mhárta 2021 i leith, is as an **CBL Frithmhúirir** ar sheirbhísí arna soláthar ag fo-chonraitheoir atá an scoil freagrach, agus as sin amháin.

1.1 Ceannach earraí ó thír AE eile (Tuaisceart Éireann san áireamh*)

Maidir le scoileanna atá cláraithe le haghaidh CBL chun críocha seirbhísí tógála a fhrithmhúirearú amháin, **níl** sé de dhualgas orthu féinchuntasaíocht a dhéanamh ar CBL ar earraí a cheannaíonn siad ó Bhallstáit eile an AE (Tuaisceart Éireann san áireamh).

I.E. Nuair a cheannaíonn scoil earraí ó thír AE eile nó ó Thuaisceart Éireann, ba cheart go mbeadh CBL cuimsithe ar shonrasc an tsoláthraí ag ráta ábhartha na tíre AE sin. Ba cheart don scoil an sonrasc, an CBL san áireamh, a íoc leis an soláthraí. Ní gá aon CBL a thuairisciú sa tuairisceán CBL.

1.2 Seirbhísí arna bhfáil ón iasacht (gan seirbhísí foirgníochta san áireamh)

Maidir le scoileanna atá cláraithe le haghaidh CBL chun críocha seirbhísí tógála a fhrithmhúirearú amháin, **níl** sé de dhualgas orthu féinchuntasaíocht a dhéanamh ar CBL ar sheirbhísí a fhaigheann siad ó Iasmuigh den Stát. Ba cheart don scoil an sonrasc, an CBL san áireamh, a íoc leis an soláthraí.

1.2.1 Fo-chonraitheoirí neamhchónaithe a sholáthraíonn seirbhísí foirgníochta

I gcás fo-chonraitheoir nach bhfuil ina chónaí sa stát agus a bhfuil seirbhísí foirgníochta á chur ar fáil aige, tá na seirbhísí sin faoi réir na rialacha ábhartha maidir le Cáin Chonarthaí Iomchuí (RCT). Tá CBL dlite ar an soláthar sin, fiú i gcás nach gcuireann an fo-chonraitheoir uimhir CBL Éireannach ar fáil. Má chuirtear an sonrasc le haghaidh oibríochtaí, agus é faoi réir RCT, faoi bhráid scoile, agus má léiríonn an sonrasc muirear atá gearrtha ar CBL eachtrach, ní ceart an CBL eachtrach a íoc. Ba chóir don scoil an CBL Éireannach atá dlite a ríomh ag 13.5% ar an méid, gan CBL san áireamh, atá taispeánta ar an sonrasc agus an méid sin a léiriú ar a tuairisceán CBL.

1.3 Tuairisceán CBL 3:

Sna cúinsí atá mínithe thuas, an t-aon CBL nach mór do scoileanna a thuairisciú ná an **CBL Frithmhúirir** ar oibríochtaí foirgníochta. Ba cheart an CBL sin a áireamh sa “**bhosca T1 CBL ar Dhíolachán**”. Ba cheart go mbeadh náid sa “**bhosca E2 Earraí iomlána ó thíortha AE eile**”, mar nach gá cuntas a dhéanamh in CBL ar earraí a ceannaíodh ón AE.

I gcás nach bhfuil aon dliteanas CBL, moltar duit leanúint de thuaisceáin nialasacha a chomhdú.

*Tá Tuaisceart Éireann fós faoi réir na rialacha CBL céanna le Ballstáit AE eile maidir le hearraí.

Sceideal 2

1. Tá an scoil cláraithe le haghaidh CBL i ndáil lena soláthairtí inchánach earraí nó seirbhísí nó lena ceannacháin earraí ó Bhallstáit AE eile.

Beidh ar scoil clárú le haghaidh CBL má chomhlíonann sí aon cheann de na critéir seo a leanas:

- soláthraíonn siad earraí inchánach a sháraíonn tairseach de €75,000 in aon tréimhse 12 mhí amháin.; Mar shampla, siopa bia a bhfuil láimhdeachas breis is €75,000 aige nó
- soláthraíonn siad seirbhísí inchánach a sháraíonn tairseach de €37,500 in aon tréimhse 12 mhí amháin. Seo thíos míniú ar a bhfuil i gceist le soláthar inchánach seirbhísí le haghaidh scoile.
- tá luach níos mó ná €41,000 in aon tréimhse 12 mhí amháin ag baint leis na hearraí a fhaigheann siad, nó na hearraí féideartha a gheobhaidh siad, ó Bhallstáit AE eile (lena n-áirítear Tuaisceart Éireann).

Mar shampla, má cheannaíonn an scoil ríomhairí glúine ó sholáthraí sa Ghearmáin ar níos mó ná €41,000 in aon tréimhse 12 mhí amháin.

Leagtar amach in **Aguisín A** na bearta nach mór don Phríomhoide agus don bhord bainistíochta a chur i bhfeidhm chun an soláthar inchánach seirbhísí a mheas.

1.1 Ceannach earraí agus seirbhísí ó thír AE eile (Tuaisceart Éireann san áireamh*)

Beidh ar scoileanna cuntas a thabhairt in CBL ar earraí ó thír AE eile (lena n-áirítear Tuaisceart Éireann) agus ar sheirbhísí faighte ón iasacht (AE agus neamh-AE araon).

1.2 Tuairisceán CBL 3

Is gá do scoileanna CBL ar earraí faighte ó thír AE eile (lena n-áirítear Tuaisceart Éireann) a áireamh ina dtuairisceán CBL sa tréimhse inchánach inar ceannaíodh na hearraí (bosca T1 CBL ar Dhíolachán, sa tuairisceán CBL). Is é an ráta CBL a bhfuil feidhm leis ná an ráta céanna amhail dá gceannófaí na seirbhísí sa Stát.

Sa “**bhosca E2 Earraí iomlána ó thíortha AE eile**”, ba chóir go n-áireofaí luach iomlán na n-earraí a fuarthas ó sholáthraithe i dtíortha AE eile.

Sa “**bhosca E2 Seirbhísí iomlána ó thíortha AE eile**”, ba chóir go n-áireofaí luach iomlán na n-earraí a fuarthas ó sholáthraithe i dtíortha AE eile.

1.3 Soláthairtí inchánach seirbhísí

Féach leat [Treoirlíne Airgeadais 2013/2014 – 09 “CBL ar Ioncam Cíosa ó Áitribh Spóirt agus Carrchlóis”](#) le haghaidh tuilleadh faisnéise faoi ghníomhaíochtaí atá faoi réir CBL i scoileanna.

Is féidir tuilleadh eolais nó soiléiriú a fháil ar aon cheann de na saincheisteanna sa Treoirlíne seo ach dul i dteagmháil le FSSU.

Guthán: 01-269 0677

info@fssu.ie

An 12 Bealtaine 2021

Aguisín A

Bearta don Phríomhoide agus don bhord bainistíochta chun an soláthar inchánach seirbhísí a mheas.

1. Ba cheart do bhoird bhainistíochta i scoileanna monatóireacht rialta a dhéanamh ar a n-ioncam bliantúil ó gach foinse, is é sin, an t-ioncam iomlán ó áiseanna spóirt agus carrchlóis.
2. Más lú ná €37,500 an t-ioncam cíosa bliantúil, ní bheidh aon oibleagáidí CBL ag an scoil agus ní bheidh ar an scoil aon rud a dhéanamh.
3. I gcás gur mó an t-ioncam cíosa bliantúil ná €37,500, ba cheart an t-ioncam ó áiseanna spóirt a anailísiú mar ioncam ó eagraíochtaí neamhbhrabúis agus ioncam ó oibríochtaí tráchtála.
4. Chun críche CBL, is féidir neamhshuim a dhéanamh d'ioncam ó áiseanna spóirt atá ligthe ar cíos d'eagraíochtaí neamhbhrabúis.
5. Más mó ná €37,500 an t-ioncam cíosa ó oibríochtaí tráchtála le haghaidh áiseanna spóirt agus carrchlóis le chéile, beidh ar an mbord CBL ag ráta 9% a ghearradh ar ioncam cíosa ó na háiseanna spóirt agus CBL ag ráta 23% ar an ioncam cíosa ó charrchlóis.
6. Tá sonrasc CBL samplach ceangailte in Aguisín B, agus is féidir le scoileanna é sin a eisiúint do chustaiméirí cíosa tráchtála as áiseanna spóirt, agus do chustaiméirí i dtaca le carrchlóis ar cíos.
7. Ba chóir an CBL a áireamh sa tuairisceán CBL démhíosúil sa bhosca T1 mar CBL ar Dhíolachán.
8. Ba chóir CBL ar aon chostais ábhartha a iontráil ar an tuairisceán CBL sa bhosca T2 mar CBL ar Cheannacháin. Is gá do scoileanna sonrasc CBL ceannacháin a bheith acu chun an CBL atá gearrtha a aisghabháil. I gcás go bhfuil leas á bhaint as iontrálacha dé-úsáide, m.sh. earraí/seirbhísí a úsáidtear le haghaidh gníomhaíocht inchánach agus dhíolmhaithe araon, d'fhéadfadh go n-asbhainfí sciar den CBL ar bhonn modh cionroinnt idir soláthairtí inchánach agus díolmhaithe.

Aguisín B

Sonrasc CBL samplach

Coláiste Mhuire, Baile Átha Cliath
Meánscoil Dheonach

Uimhir CBL 12345678T

Seosamh Blog
Bootcamp Southside
Baile Átha Cliath

27 Aibreán, 2021

Uimhir Sonraisc B00012

Sonrasc

Táille chíosa ar an halla spóirt le haghaidh mhí Aibreáin
(4 lá cíosa don 3^ú, 10^ú, 17^ú agus 24^ú Aibreán @ €250 in aghaidh an lae) €1000.00

CBL @ 9% €90.00

Iomlán Dlite €1090.00

=====

NÓTA is gá go n-áireofaí le sonrasc cbl an méid seo a leanas:

- an dáta eisiúna
- uimhir shonraisc sheicheamhach
- ainm iomlán, seoladh agus clárúimhir an tsoláthraí
- ainm iomlán agus seoladh an chustaiméara
- méid agus cineál na hearraí a soláthraíodh nó méid agus cineál na seirbhísí a rinneadh
- an CBL gan praghas aonaid san áireamh
- an méid is iníoctha glan ar CBL
- aon lascaíní nó laghduithe praghais
- miondealú de réir ráta CBL
- an méid iomlán CBL iníoctha i ndáil leis an soláthar
- an dáta ar cuireadh na hearraí nó seirbhísí ar fáil