VAT ON THE SECONDMENTS OF UoR STAFF TO OTHER BODIES

Are we doing work for a client (staff continue to operate under UoR direction) rather than seconding staff (where staff come under the direction of the client, but are contractually employed or otherwise engaged by UoR rather than by the client)?

Yes

What type of service are we providing?

No

SECONDMENT
(Note: if the secondment is to an NHS body, please contact vat@reading.ac.uk).

OUTSIDE THE SCOPE OF VAT ONLY IF YOU CAN ANSWER “YES” TO ALL OF THE FOLLOWING QUESTIONS:-

1. Client is a CHARITY/UNIVERSITY/other NOT FOR PROFIT organisation (not a public or local authority) AND

2. Member of staff is working & has only worked on non-business work at both UoR and CLIENT i.e. grant funded research or fundraising (n.b. lecturing would not qualify) AND

3. payment for the supply of the employee's services does not exceed the employee's normal remuneration (total costs including National Insurance and pension scheme contributions).

SECONDMENT OF TEACHING STAFF TO AN ELIGIBLE BODY (EXPECTED TO BE AN EDUCATIONAL INSTITUTION)

Role for secondee is exclusively TEACHING (it qualifies as a supply of education in its own right). They must have no other responsibilities for administration or other tasks.

The supply of staff for the purposes of catering and accommodation qualifies as closely related to the education where the recipient eligible body provides education for a charge.

ALL OTHER SECONDMENTS (Where it is applicable VAT must be charged on staff costs paid by UoR in addition to any fee).

For joint employment, temporary suspension of an employment contract, and secondments to NHS bodies, please contact vat@reading.ac.uk.

Outside the scope of VAT - SO

Exempt - SX

Standard rated- ST where the client belongs in the UK, or belongs outside the UK and has no business activities

Zero rated - SZ where the client belongs outside the UK and has business activities

Education – SX Exempt

Consultancy for client that belongs in the UK- ST Taxable

Other – speak to vat@reading.ac.uk

Yes

No

Yes

No