

Pharmacists Scheme for VAT

Document last reviewed August 2026



Introduction

This guidance sets out the Pharmacists scheme for VAT. The scheme was set up to address operating issues in pharmacies which led to discussions between Revenue and the Irish Pharmacy Union (IPU) in relation to a revised Pharmacists Scheme for VAT that better reflects how pharmacies operate.¹

For example, in relation to the Primary Care Reimbursement Services (PCRS), the ingredient costs shown on statements do not reflect actual costs to the pharmacists, particularly for zero-rated goods. In addition, the value of goods that pass across the counter on a daily basis exceeds the value of receipts recorded on the Electronic Point of Sales (EPOS) systems and many pharmacies do not have the required functionality to complete their VAT return from the EPOS reports.

1 Who does the scheme apply to?

The Pharmacists Scheme is for use by pharmacies whose annual Vatable turnover is less than €1.5 million.

2 How does the scheme work?

The scheme operates by marking-up purchases for resale at the positive VAT rates to arrive at corresponding sales at these positive VAT rates. Pharmacists will have PCRS statements that provide sales details for a significant portion of their turnover.

The correct operation of the scheme is dependent on the accuracy of the mark-up percentages applied to purchases and each pharmacy must ensure that mark-ups used are a true reflection of value and volume of that pharmacy business.

The IPU has developed a spreadsheet together with a guide to completing the spreadsheet that allows pharmacies to complete their VAT return by populating the spreadsheet with PCRS, purchases and sales information. The spreadsheet and the guide can be downloaded from the [IPU website](#).

3 VAT liability calculation

Pharmacies must be able to demonstrate that their calculations of the VAT liability include all sales and purchases.

¹ The scheme was revised in 2012 and it has Revenue approval for use from 1 September 2012.

4 What records am I required to keep?

Pharmacies that use an EPOS system are required to keep a record of each payment received and the EPOS system must maintain a complete record of each entry on that system including a sequential number that uniquely identifies the entry, together with the date and time of such entry.

Revenue guidance on [Cash Register Records](#) contains more information for businesses that use a cash register or an EPOS.