
VAT and Charities

This document should be read in conjunction with Part 2, Chapter 2 of the VAT Consolidation Act 2010 (VATCA 2010)

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1. Introduction

Charitable tax exemption does not entitle an organisation to receive goods and services free from VAT. There are, however, specific reliefs from VAT in certain circumstances and, where appropriate, such reliefs may also be availed of by charities.

2. Registration

In general, many of the activities carried out by Charities are considered to be either outside the scope of or exempt from, VAT. Charities engaged exclusively in such activities are neither obliged nor entitled to register and account for VAT on their income. In certain circumstances the activities of a charity may be considered to be in competition with commercial traders and the charity may then be required to register and account for VAT on these activities.

A Charity or other non-taxable legal person that acquires, or is likely to acquire more than €41,000 worth of goods from other EU Member States in any period of twelve months is obliged to register and account for VAT in respect of such intra-Community acquisition(s). Registration for intra-Community acquisitions only does not give VAT deduction rights to these entities.

Where a Charity or other non-taxable legal person is registered for VAT in respect of intra-Community acquisitions, or other activities, it must also account for VAT on certain services received from abroad. (See VAT information on [‘Place of Supply for Services’](#)). Where such entities are not otherwise registered for VAT they are not obliged to register in respect of received services.

3. Certain reliefs from VAT which may apply to Charities

3.1 Organisations involved in the transport of severely and permanently physically disabled persons

Repayment of VAT paid may be claimed in relation to the purchase and adaptation of vehicles for use by organisations for the transport of severely and permanently disabled persons. A qualifying organisation means a philanthropic organisation which is not funded primarily by the State, by any board established by statute, or by any public or local authority. The organisation must be chiefly engaged, in a voluntary capacity and on a non-commercial basis, in the care and transport of severely and permanently physically disabled persons and is recognised as such by the Revenue Commissioners. Statutory Instrument No. 353/1994 refers. Claims should be made on form DD0. This form is available from:

**The Central Repayments Office,
M: TEK Building,
Armagh Road,
Monaghan.
Phone: (01) 738 3671
Email: cromon@revenue.ie**

There is provision for the repayment or reduction of Vehicle Registration Tax (VRT) under this heading also.

3.2 Radios for the blind

Section 105 (3) of the 2010 VAT Consolidation Act provides for repayment of VAT paid in respect of radio broadcasting reception apparatus intended for use by blind persons. The repayment is only made to the institution/society if it shows to the satisfaction of the Revenue Commissioners that:

- Its primary object is the improvement of the circumstances of blind persons; and
- that the goods in question are intended for the use of blind persons.

Claims should be made on form VAT 59.

3.3 Appliances for use by Disabled Persons

Statutory Instrument No. 428/81 provides for repayment of VAT on certain aids and appliances purchased by or on behalf of a disabled person, which assist that disabled person in the performance of essential daily functions or in the exercise of a vocation e.g. stair-lifts.

Claims should be made on form VAT 61A.

3.4 Rescue craft and equipment

Statutory Instrument No. 249/13 enables VAT on certain small rescue craft, ancillary equipment and special boat buildings and also on the hire, repair and maintenance of these craft, to be repaid to qualifying groups who provide a sufficient standard of rescue and assistance services at sea and on inland waterways.

Claims should be made on form VAT 70.

3.5 Humanitarian Goods for Export

Statutory Instrument No. 308/87 provides relief from VAT for goods purchased for exportation by philanthropic organisations for humanitarian, charitable or teaching activities abroad e.g. Apostolic Societies, Chernobyl Children Projects etc.

Claims should be made on form VAT 73.

3.6 Donated medical equipment

Statutory Instrument No. 58/92 provides for repayment of VAT suffered by a hospital or a donor on the purchase of new medical instruments and appliances (excluding means of transport) which are funded by voluntary donations. The VAT refund may be claimed by whoever suffers the tax i.e. the hospital or the donor, as appropriate, but not, of course, both. The principal conditions are that the instrument or appliance must:

- cost €25,390 or more (exclusive of VAT)
- be designed and manufactured for use solely in medical research or in diagnosis, prevention or treatment of illness
- not have been part-funded by the State
- be the subject of a recommendation by the Minister for Health that, having regard to the requirements of the health services in the State, a refund of the VAT would be appropriate.

Claims should be made on form VAT 73.

3.7 Donated Research Equipment

Statutory Instrument No. 38/95 provides for repayment of VAT, incurred in the purchase or importation of any new instrument or appliance (excluding means of transport) through voluntary donations, to a research institution or a university, school or similar educational body engaged in medical research in a laboratory. The principal conditions are that the instrument or appliance must:

- cost €25,390 or more (exclusive of VAT)
- be designed and manufactured for use in medical research
- not have been part-funded by the State
- be the subject of a recommendation by the Health Research Board that, having regard to the requirements of medical research in the State, a refund of the VAT would be appropriate.

Claims should be made on form VAT 72A.

Applications claims relating to the purchase of vehicles for the transport of severely and permanently disabled persons should be made to the Central Repayments Office in Monaghan at the address above. All other claims should be sent to:

**VAT Repayments Unregistered Section,
Collector General's Office,
Sarsfield House,
Francis Street,
Limerick.
Phone: (01) 738 3663
email: unregvat@revenue.ie**