

VAT treatment of live horses, greyhounds, insemination services and hire of horses

This document should be read in conjunction with paragraph 13B of Schedule 3 to the VAT Consolidation Act 2010 (VATCA 2010)

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Introduction

This guidance sets out the VAT treatment applying to supplies of live horses, greyhounds, insemination services and the hire of horses, following the decision of the Court of Justice of the European Union ('the Court') in case C-108/11 Commission v Ireland.

1. Summary of VAT rates

The "[Livestock Rate](#)" of VAT applies to livestock in general, and to horses that are normally intended for use in the preparation of foodstuffs or for use in agricultural production.

The "[Reduced Rate](#)" of VAT applies to:

- the supply of live horses, other than those normally intended for use in the preparation of foodstuffs or in agricultural production
- the hire of horses
- the supply of greyhounds
- insemination services for all animals, including livestock, horses and greyhounds (including nominations in studs and "no foal, no fee" inseminations)
- the supply of livestock semen and horse semen.

2. VAT rates

2.1. Supplies by VAT registered traders

2.1.1. Horses normally intended for use in the preparation of foodstuffs or in agricultural production

The livestock rate applies to the supply of live horses normally intended for use in the preparation of foodstuffs or for use in agricultural production.

The livestock rate also applies to those horses that are supplied directly to a slaughterhouse for entry into the food chain, or where an individual supply of a live horse is to a farmer.

In order for the supply of a horse to qualify for the application of the livestock rate the purchaser should make a written declaration to the VAT accountable supplier that he or she is a taxable person involved in the preparation of foodstuffs (i.e. slaughterhouse) or is a farmer, with details of his or her name, address and PPS/VAT registration number. An accountable supplier is required to retain such a declaration for record purposes under the normal rules. Failure to make or retain such a declaration will result in the application of VAT at the reduced rate on the supply.

2.1.2. All other horses

All other supplies of live horses by VAT registered traders are subject to VAT at the reduced rate.

2.1.3. Supplies of horses on hire (hire of horses)

Supplies by VAT registered traders of horses on hire are liable to VAT at the reduced rate.

2.1.4. Supplies of greyhounds

Supplies of live greyhounds by VAT registered traders are liable to VAT at the reduced rate.

2.1.5. Insemination services, including nominations

Supplies of insemination services, including supplies of nominations and "no foal, no fee" inseminations, by VAT registered traders are liable to VAT at the reduced rate.

2.1.6. Supplies of horse semen

The supply of horse semen is subject to VAT at the reduced rate.

3. Supplies by flat-rate farmers

Supplies of horses by flat-rate farmers to flat-rate farmers or other unregistered persons are not liable to VAT.

Supplies of horses by flat-rate farmers to VAT registered traders, including auctioneers and auction houses, continue to qualify for the flat-rate addition payable by the VAT registered traders to the flat-rate farmers.

4. Insemination services received from abroad by flat-rate farmers

Flat-rate farmers in receipt of any such insemination services from another EU Member State or from outside the EU are obliged to register and self-account for Irish VAT in respect of such services received. A flat-rate farmer who registers for VAT solely under that obligation may retain his or her flat-rate status in respect of his or her other farming activities. Flat rate farmers continue to have the option of electing to register for VAT in respect of all their activities.