

VAT treatment of dental services

This document should be read in conjunction with paragraphs 2(4) and 2(5) of Schedule 1 to the VAT Consolidation Act, 2010.

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Introduction

This guidance sets out the VAT treatment of dental services, dental technicians and dental arrangements between Principal Dentists and Associate Dentists.

1. Professional dental services

Professional dental services are exempt from VAT.

Goods that are separable from dental treatment that are sold to a patient, such as toothbrushes, toothpaste and dental floss will be subject to VAT at the appropriate rate.

2. Dental technicians

The supply by dental technicians of services of a dental nature and of dentures or other dental prostheses is exempt from VAT.

3. Dental arrangements between Principal Dentists and Associate Dentists

Dental Practices (comprising more than one dentist) are considered a “body of persons” for VAT purposes where:

- The principal dentist (a practising dentist) provides dental infrastructure (location, brand, reception infrastructure, equipment and dental expertise) and
- A second, third, or more associate dentist(s) has the clinical skill(s) to provide dental treatments.

The revenue generated by these practices are split between the Dentists in recognition of their respective contributions so that the contributions are made with a view to enabling the Dental Practice (“body of persons”) to provide VAT exempt dental services. These contributions are not supplies of services for VAT purposes.

For this VAT treatment to apply, the agreement that regulates the relationship between the dentists must make it clear that the Dental Practice is a “body of persons” (as per Section 2 of the VATCA) so that the dental services that are provided to patients are provided by that “body of persons” and that the contributions made in accordance with the agreement are not supplies for VAT purposes as they take place within the “body of persons”.

The above VAT treatment does not apply where the principal dentist is not practising but supplies facilities or supplies other services or goods to dentists.