

Emergency accommodation and ancillary services

This document should be read in conjunction with paragraphs 11 of Schedule 1 and Schedule 3 to the VAT Consolidation Act, 2010 and regulation 46 of the VAT Regulations, 2010

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Introduction

This guidance sets out the VAT treatment of supplies of emergency accommodation and ancillary services.

For information on the VAT treatment of guest and holiday accommodation or passive lettings please see Revenue's guidance on [Guest and holiday accommodation](#) and [Letting of immovable goods](#).

1. State owned accommodation

The provision of emergency accommodation in State owned property is outside the scope of VAT.

2. Residential accommodation

The supply of emergency accommodation in all or part of a house, apartment or other similar establishment is exempt from VAT.

2.1. Waiver of exemption

Where a person has waived their exemption from VAT in respect of houses, apartments or similar establishments, acquired prior to 2 April 2007 and which are used for emergency accommodation, such supplies are chargeable at the [standard rate](#) of VAT.

3. Hotel or guesthouse accommodation

Where accommodation in all or part of a hotel or guesthouse is contracted to a State agency as being provided as emergency accommodation, and that accommodation is not available as guest or hotel accommodation to the general public, it is regarded as an exempt supply of emergency accommodation for VAT purposes.

4. Direct Provision

The supply of accommodation for the purposes of Direct Provision constitutes a VAT exempt supply of emergency accommodation.

5. Ancillary services

Services such as laundry of sheets and pillowcases etc., security, reception and administration which are included in the cost of emergency accommodation, are considered as being ancillary supplies and qualify for the exemption. Catering services are not considered ancillary to the supply of emergency accommodation.

6. Catering services

Catering services are considered as separate supplies for VAT purposes and are liable to VAT at the appropriate rate. The supplier is required to register for VAT where the annual turnover exceeds or is likely to exceed the [registration threshold](#) for supplying services.

Where there is a supply of emergency accommodation and catering services, the consideration payable must be apportioned between the exempt emergency accommodation service and the taxable catering service.

7. Capital Goods Scheme

In circumstances where an owner of a capital good changes the use of the capital good from taxable to exempt, a capital goods scheme adjustment is required. For example, where a supply of hotel accommodation changes from being a taxable supply of guest accommodation to an exempt supply of emergency accommodation, a capital goods scheme adjustment is required to account for the change of use.

Detailed information on the operation of the CGS can be found [here](#).

8. Deductibility

Overheads of the business should also be apportioned as required under [normal](#) rules where there are both taxable and exempt business activities.

9. Option to Tax

The option to tax rents is not permitted where the property is used for emergency residential accommodation. Detailed information on the operation of the option to tax lettings of immovable goods can be found [here](#).