



are there exclusions?

Yes, the legislation currently only applies to conference-related accommodation. It does not extend to VAT incurred on meals or drinks, which remain non-deductible items.

The right to deduct VAT only applies to entities or individuals which are currently treated as taxable persons for VAT purposes. It does not extend to groups or organisations who are treated as VAT exempt or not in business.

how long will it take?

In Ireland, VAT refund claims by non-Irish businesses are normally repaid within four to six weeks, much faster than in other jurisdictions.

THE NEW VAT REFUND PROVISION FOR CONFERENCE DELEGATES

With effect from 1st July 2007 the Irish Government has introduced changes in respect to the entitlement of businesses and delegates to claim back VAT on conference related ACCOMMODATION EXPENSES.

Ireland's attractiveness as a location for business conferences has been enhanced as the new provisions now allow a taxable person to deduct VAT incurred on accommodation connected to a 'qualifying conference'. A deduction may be made where the accommodation is provided at the conference venue or a different location.

The deduction entitlements are related to cost incurred on accommodation only and does not include expenditure on food or drink or expenditure related to an exempt activity. In accordance with normal VAT rules, deductibility is allowed only where expenditure incurred is attributable to taxable supplies by a business.

Any Irish or non-Irish taxable business entitled to recover VAT will be able to reclaim the VAT element of the accommodation expenses paid by them on behalf of their delegates. Individual delegates attending a qualifying business meeting and who are entitled to recover VAT, i.e. self-employed, can also claim. Non-Irish businesses are entitled to claim Irish VAT to the same extent as a VAT registered Irish company.

which events qualify?

'Qualifying conferences' include conferences or meetings organised for business purposes catering for a minimum of 50 people. Events catering for less than 50 people will not qualify, although a conference organised to cater for more than 50 which attracts less than that number should still qualify.

Example 1

A delegate attends a two-day conference which begins on a Thursday morning and concludes at midday on Friday. The delegate arrives at the venue on Wednesday evening and obtains accommodation for three nights. The three-night stay would be viewed as qualifying accommodation and so the VAT incurred on that accommodation would be deductible.

Example 2

A delegate attends part of a two-day conference which begins on a Thursday morning and concludes at midday Friday. The delegate attends on Thursday only. The delegate arrives at the venue on Wednesday evening and obtains accommodation for three nights. Only two of those three nights accommodation would be viewed as qualifying accommodation. The VAT incurred on the accommodation for those two nights only would be deductible.

claiming the refund

Irish companies or qualifying individual delegates will be able to claim the VAT back in the normal way through their VAT returns.

Non-Irish companies/delegates can obtain refunds by applying to the Revenue Commissioners as follows:

Businesses established in the EU – under the terms of the EU Eighth Directive, by submitting form VAT60EC to the Irish Revenue Authorities.

Businesses established outside the EU –under the terms of the EU Thirteenth Directive, by submitting form VAT60OEC to the Irish Revenue Authorities.

These forms may be downloaded from Revenue's website – www.revenue.ie



proof required



The applications for refunds by *out-of-State* claimants should be sent to:

VAT (Unregistered) Repayments, Revenue Commissioners,
3rd Floor, River House, Charlotte's Quay, Limerick, Ireland.

what is allowed?

A 'qualifying delegate' is any taxable person or a taxable person's employee or agent who attends a qualifying conference in the course or furtherance of that person's taxable business.

'Qualifying accommodation' includes rooms in hotels, guesthouses or apartments which are let as part of the short-term guest or holiday sector – the definition stretches as far as caravan parks and camping sites!

The allowance will apply from the night prior to the date on which the conference starts and end on the date on which the conference concludes. Where a delegate attends for only part of the duration of the conference, entitlement to deduct the VAT incurred on the accommodation should be reduced accordingly.

VAT refund can only be claimed on foot of a valid VAT invoice. The invoice should be addressed to the taxable person and not to the agent or the employee.

The accommodation charge should be separately identified on the invoice.

In addition to having a valid VAT invoice, the taxable person must also retain in his records details in writing provided by the organiser of the qualifying conference as described below.

Event organisers must issue in writing the details of the conference to each taxable person attending or sending a delegate – for example, a printed Conference Brochure. Details required include location and dates, nature of business to be conducted, number of delegates expected, plus the name, business address and VAT registration number of the person/business organisation responsible for organising the conference.

Example 3

A delegate to a conference is engaged in a totally deductible business, e.g. a salesperson in a computer manufacturing company. The subject matter of the conference is selling techniques. In this case the VAT incurred on qualifying accommodation related to that conference would be fully deductible by the manufacturing company.

Example 4

A delegate to a conference is engaged in a non-deductible activity e.g. insurance, which is exempt from VAT. In this case no deductibility would arise with regard to the VAT incurred in respect of accommodation related to that delegate's attendance at a conference.