



3 VAT discounts for empty homes

If you are bringing an empty property back into use that has not been lived in during the 2 years immediately before your work starts and is intended for use solely for a 'relevant residential purpose' you may be eligible for a reduced rate VAT.

What VAT discounts can I obtain?

VAT Notice 708 (Building and Construction) (HM Revenue & Custom) - Empty houses that have been unoccupied for two years can qualify for a reduced level of VAT (5%) on building works. This can be a significant reduction in the overall costs of bringing the property back into use.

VAT Notice 708/6 (Energy-Saving Materials) (HM Revenue & Customs) - Reduced rates of VAT also apply to installing a number of energy efficiency or energy saving measures. These discounts may apply to works to bring an empty property back into use.

How can the Vale of Glamorgan Council assist?

Upon request, the Empty Homes and Loans Officer can write an official letter to the property owner confirming how long the property has been empty. Such a letter may be requested by companies/tradespeople before applying the reduced VAT as it may be required by HM Revenue and Customs. If you require this letter to be sent to you, please contact the Empty Homes and Loans Officer using the contact details at the end of this information booklet

Who do I contact for further information?

Telephone the HM Revenue and Customs and Excise National Advice Line on 0845 010 9000. Alternatively, view the information at www.gov.uk/government/publications/vat-notice-708-buildings-and-construction.

Fact:

Empty houses that have been unoccupied for two years can qualify for a reduced level of VAT (5%) on building works.