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 25th July 2019

Dear Chris,

**Re: Cipfa VAT Committee: Wedding Ceremonies**

In response to your letter of 3rd July 2019 to the Committee I think firstly, it is worth clarifying our joint understanding of the five scenarios that were outlined in James Clarke’s letter of 6th December 2018.

**Scenario 1**

A standard ceremony at the Register Office, in a small room which usually only accommodates the two people getting married, two witnesses and the registrar(s) – statutory fee £46.00 **non-business.**

**Scenario 2**

A ceremony in a larger room at the Register Office for which an overall greater fee is charged in comparison to the small room in Scenario 1 – which is the subject of your latest letter and is addressed in detail below.

**Scenario 3**

A ceremony in an approved premises run or owned by the council (which is not a Register Office) where all other parts of the celebrations are held elsewhere – registrar’s fees paid direct as per Scenario 5 – **non-business**, room hire paid separately and **standard–rated.**

**Scenario 4**

A ceremony in an approved premises run or owned by the council (which is not a Register Office) where other parts are of the celebrations are held in the same council run building. Registrar’s fees paid direct as per Scenario 5 – non-business, celebration element paid separately and **standard-rated**. Often there is no ‘room charge” if catering is provided subject to a minimum value.

**Scenario 5**

The attendance of registrar(s) at an approved premises not owned by the council – Payment made direct to Registrar **(non-business).**

**Back to Scenario 2**

1.The Committee acknowledges that councils have different charging structures whether that be on room size, time of day or week or a combination of all those factors.

2. Marriages and Civil Partnership (Approved Premises) Regulations 2005

The Committee has noted the narrow interpretation of Section 12 (6),7) and (8).

This surely doesn't mean that only the salary costs (plus on costs?) of the registrars can be taken into account? These are statutory functions and registers/records have to be completed and stored at the register office for each ceremony, so some of the register office's overheads should be taken into account even with the narrowest interpretation of this clause.

The ceremony obviously has to physically take place somewhere, if the ceremony takes place in the register office it is felt that some of the overheads of this building do form part of the reasonable costs of providing the registrars in accordance with section 12(6).

3. Local authorities have a statutory duty to provide a Registrar’s service and therefore have to provide approved ceremony room(s). It is therefore a non-business activity.

The principal supply of the Registrar is the performing of a wedding ceremony, and any ceremony room is incidental to the main supply of a wedding ceremony.

You cannot hire the room without a ceremony and you cannot have a ceremony without a room. It makes no sense for the principal supply to be a supply of a venue in this case; equally it would be completely artificial to split the single fee charged between an estimated cost of the Registrar(s) and any balance which may be for maintenance and running costs of the register office building.

As stated in VATSC11135 with reference to the ECJ decision in ‘Card Protection Plan’: "There is a single supply in cases where one or more elements are to be regarded as ancillary services… defined as something that does not constitute for customers an aim in itself but is a means of better enjoying the principal service supplied." The larger register office room is considered ancillary to the Registrars services,. VATSC11142 on Levob also supports the case of a single principal supply.

It is still worth emphasise again that the £46.00 basic ceremony fee dictated by the Home Office, does not cover the costs (even a narrow interpretation of costs) of the Registrar.

Yours sincerely,

Mike Revis

Chair – CIPFA VAT Committee

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