

Update as at 13 June 2011

**Bridport & West Dorset Golf Club – Decision Number TC01214 re Appeal Number TC/2009/12226**

This is an update on the document released on the Scottish Golf Union website on Monday 6<sup>th</sup> June 2011. The First Tier Tax Tribunal released its decision on this case on Friday 10 June 2011. A link to the full decision is attached - [Link to Tribunal Decision](#)

**Summary of Decision**

- The Tribunal found in favour of Bridport (and therefore against HMRC) confirming that green fees paid by visiting non-members are exempt from VAT;
- However this is not the end of the matter as the Tribunal did not consider the two subsidiary issues, namely the operation of the three year capping provisions and also whether any repayments attracted compound interest (or only simple interest) – see paragraph 2 of attached decision for more detail. It was accepted by both HMRC and Bridport that it was not necessary to discuss these two subsidiary issues in detail as both are currently part of other appeals going through the courts. In his conclusion, the Tribunal Judge gave both parties permission to apply for the hearing to be continued in order that the two other issues may be determined (decided) – see paragraph 47 of attached decision for more detail; and
- More importantly HMRC has 56 days to appeal this decision and until it has been confirmed that HMRC is not going to appeal or HMRC subsequently loses such an appeal **all clubs should continue to account for Output VAT on their green fee income from visitors.**

We will release a further update once it has been confirmed if HMRC is going to appeal this decision or when more information is available on the two other issues detailed above.

If you wish to discuss this Tribunal Case further we suggest you contact a suitably qualified professional VAT advisor such as Gary Moore of VAT Services (Scotland) Ltd on 0141 636 9353 or 07812 061582 who has helped us produce this notice. VAT Services (Scotland) is a firm of VAT Advisors who have submitted claims for 29 Golf Clubs and have advised that there would be no charge for any initial consultation.

**13 June 2011**