



Office of the Revenue Commissioners
Dublin Region
North City District
14/15 Upper O'Connell Street
Dublin 1, Ireland

Oifig na gCoimisinéirí Ioncaim
Réigiún Bhaile Átha Cliath
Ceantar Thuaisceart na Cathrach
14/15 Sráid Uí Chonaill Uacht
Baile Átha Cliath 1, Éire

15 SEP 2008

Mr Harry Keogh,
Barnardos Fund Raising Dept.,
Merchants Hall,
25/26 Merchants Quay, Dublin 8

11th September 2008

Re: Fundraising initiative

Dear Sir,

I refer to your recent query to this office regarding an optional donation of €2 which would be added to the bill in a restaurant and if the customer did not wish to make this donation he could have it removed. I submitted this question to our VAT Interpretation Branch and have received the following reply:

Section 10 (1) of the VAT Act 1972 (as amended) refers to the amount on which tax is chargeable and states that:

“The amount on which tax is chargeable by virtue of Section 2 (1) (a) shall, subject to this section be the total consideration which the person supplying goods or services becomes entitled to receive in respect of or in relation to such supply of goods or services”

The charitable donation proposed by Barnardos does not fall within this section and is not a charge for the supply of goods or services and is therefore not subject to VAT. However to ensure that such a donation is accounted for correctly it should be clearly visible in their records and on all documentation such as invoices, cash receipts etc.

Yours faithfully,

Mary Kelly
Dublin North City District.