

VAT Declaration FAQs and Examples



Why have I been asked to complete a VAT Declaration?

We've contacted you because we've identified two or more electricity supplies registered to your organisation that may be linked for VAT and Climate Change Levy (CCL) purposes. We need you to confirm whether these supplies should be treated as part of the same **Multi-Supply Premises** or as separate **Standalone Premises**. Completing the declaration helps make sure the correct VAT and CCL treatment is applied to your account.

What do I need to do?

Please review the information provided in your declaration and confirm:

- Which supplies form part of a **Multi-Supply Premises**
- Which supplies should be treated as **Standalone Premises**

Your declaration includes all the sites we've identified at the same postcode. We've shown these as **Multi-Supply Premises** based on the information we currently hold.

Please review the sites and change any that you believe should be treated as **Standalone Premises**. We'll treat the supplies as a **Multi-Supply Premises** for VAT purposes unless you tell us otherwise through your declaration. If we need any more information to assess a site, we'll get in touch.

Before you send it back, remember to complete the declaration page, and sign and date your form. Send your completed VAT Declaration to VAT-CCLComplianceSection@edfenergy.com

Why can't EDF determine this automatically?

While we can identify supplies that appear related, VAT rules depend on how premises are occupied and used in practice.

Only you can confirm how your sites are occupied and used, so your declaration is essential for determining the correct VAT and CCL treatment.

For example, two supplies at the same postcode might look connected, but that isn't always the case. As only you know how your sites are used, we need your help to tell us whether the supplies should be treated together (as a **Multi-Supply Premises**) or separately (as a **Standalone Premises**).

What is meant by 'premises'?

A premises is an HMRC term that refers to a site or location where electricity is supplied and used. It could be a single building, several buildings, an area of land, or a combination of these. The way the premises are occupied and used helps determine how they're treated for VAT purposes.

What is a Multi-Supply Premises?

A Multi-Supply Premises is generally a site where multiple electricity supplies are functionally linked and serve one another in a necessary or reasonably useful way. When assessing eligibility for reduced VAT and CCL under de-minimis rules, **the consumption from all electricity supplies within the premises must be combined.**

For example:

A council site containing offices, a library, reception areas and associated facilities would typically be treated as a **Multi-Supply Premises** because the buildings support the overall operation of the site and serve one another. This means the consumption from all supplies will be combined for the purposes of VAT assessment.

What is a Standalone Premises?

A **Standalone Premises** has a distinct and separate use and does not serve other buildings in a necessary or reasonably useful way. It can usually be assessed independently for VAT and CCL purposes.

For example:

A public car park located across the road from council buildings would normally be considered a **Standalone Premises** because it has an independent function and could continue operating regardless of whether the other buildings existed. This supply would therefore be assessed separately for VAT purposes.

How do I know if I have Multi-Supply or Standalone Premises?

The key question is whether the buildings or supplies support one another in a 'necessary or reasonably useful way'.

Typical Multi-Supply Premises

- Buildings that operate together as part of one site
- Reception, administration and support facilities serving other buildings
- Buildings billed to a single landlord and operating as one premises
- University buildings or commercial sites that function together

Typical Standalone Premises

- Separate businesses carrying out distinct activities
 - Buildings with no operational relationship to neighbouring buildings
 - Individual holiday cottages or lodges
 - Independent facilities with their own separate purpose
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How can I find out more about HMRC's premises rules?

HMRC provides guidance on how electricity supplies should be assessed for VAT purposes, including when supplies should be treated together and when they may be considered separately. Find out more at gov.uk/hmrc-internal-manuals/vat-fuel-and-power/vfup3100

Does having the same postcode make my supplies part of a Multi-Supply Premises?

Not necessarily.

Where two or more electricity supplies registered to the same organisation share the same postcode, we'll generally assume they're connected and form part of a **Multi-Supply Premises**. This is because supplies at the same location are often occupied and used together.

However, that isn't always the case. Some supplies may have a distinct and separate use and should be treated as **Standalone Premises** instead. That's why we ask you to complete a VAT Declaration. It allows you to confirm whether your electricity supplies should be treated as **Multi-Supply Premises** or **Standalone Premises** so we can apply the correct VAT and CCL treatment.

How are sublet properties treated?

This depends on who receives the energy invoice.

If EDF invoices the subtenant directly

The supply will generally be treated as a **Standalone Premises** because the occupier has distinct energy use and receives their own electricity bill.

If EDF invoices the landlord

The supply will generally form part of a **Multi-Supply Premises** because the supplies are not separately invoiced to individual occupiers.

How are commercial buildings with multiple units assessed?

Units invoiced separately to each occupier

These will typically be treated as **Standalone Premises** because the occupiers have distinct energy use and are separately billed.

Units invoiced to a single landlord

These will typically be treated as a **Multi-Supply Premises** because the supplies serve one overall premises and are billed collectively.

How are student accommodation sites assessed?

Where multiple residential units are supplied and billed to a single landlord, the supplies will generally be treated as a **Multi-Supply Premises**.

What's Qualifying Use?

Some supplies may qualify for different VAT treatment if they are for:

- **Domestic use**, or
- **Charitable non-business use** (where no charge is made to the organization)

HMRC calls this **Qualifying Use**. Some examples may include:

- Care homes
- Places of worship
- Armed forces accommodation
- Children's homes
- Schools
- Hospices

If your site falls into one of these categories, we'll ask you to complete a VAT Declaration so we can assess eligibility and apply the correct rates.

What happens if I don't complete a VAT Declaration?

If we don't receive your declaration, we won't have the information we need to understand how your sites should be treated. This means we may not be able to review whether different VAT or Climate Change Levy (CCL) treatment applies to your supplies. Any existing VAT and CCL treatment on your account will remain in place until we've received and reviewed your declaration.

Let's look at some examples

Not sure whether your supplies should be treated as **Multi-Supply** or **Standalone Premises**?

The examples below show how different types of sites may be assessed for VAT purposes. They're intended as a guide to help you complete your declaration. As every site is different, we'll always consider how your premises are used, occupied and billed before confirming the VAT and Climate Change Levy (CCL) treatment that applies.

Council owned building

Multi-Supply Premises

Council main building
Council office reception main building
Public library same building
Attached car park
Sublet (EDF bills council)

As the buildings are functionally linked and serve one another in a necessary or reasonably useful way, they should be considered Multi-Supply Premises.

Standalone Premises

Public car park across road

The public car park has a separate purpose and can operate independently of the other buildings, so it's treated as a Standalone Premises.

University

Multi-Supply Premises

Main building reception and estate management
University car park (attached to main building)
Library (main building)
Teaching halls (main building)

The building(s) are functionally linked and serve one another in a necessary or reasonably useful way, so would be considered Multi-Supply Premises.

Standalone Premises

Research building (separate to main building)
Student housing (EDF bills university)
Gym (open to public)
Chapel

The buildings are used independently and don't support one another, so they're treated as Standalone Premises.

Student accommodation

Multi-Supply Premises

Flat 1 - EDF invoices landlord
Flat 2 - EDF invoices landlord
Flat 3 - EDF invoices landlord
Flat 4 - EDF invoices landlord
Flat 5 - EDF invoices landlord
Flat 6 - EDF invoices landlord

The supplies serve a single premises and are billed to the building's landlord. As the supplies aren't separately invoiced to individual occupiers, they should be treated as a Multi-Supply Premises.

Business customer

Standalone Premises

Car Maintenance Ltd

Fencing Supplies Ltd

Electrical Engineering Ltd

The buildings are occupied by separate businesses with distinct activities and don't serve one another in a necessary or reasonably useful way. They should be considered Standalone Premises.

Commercial building

Standalone Premises

Unit 1 - EDF invoices subtenants
Unit 2 - EDF invoices subtenants
Unit 3 - EDF invoices subtenants
Unit 4 - EDF invoices subtenants
Unit 5 - EDF invoices subtenants
Unit 6 - EDF invoices subtenants

The supplies serve separate occupiers with distinct energy use, and each subtenant receives its own EDF invoice. The supplies don't serve one another in a necessary or reasonably useful way, so should be considered Standalone Premises.

Commercial building

Multi-Supply Premises

Unit 1 - EDF invoices landlord
Unit 2 - EDF invoices landlord
Unit 3 - EDF invoices landlord
Unit 4 - EDF invoices landlord
Unit 5 - EDF invoices landlord
Unit 6 - EDF invoices landlord

The supplies serve a single premises and are billed to the building's landlord. As the supplies aren't separately invoiced to individual occupiers, they should be treated as a Multi-Supply Premises.

Care home

Standalone Premises

Reception and management

Care building

Pavilion

A VAT Declaration should be completed for Qualifying Use as care homes are assessed as domestic premises.

MOD (armed forces residential)

Building one

Building two

Building three

A VAT Declaration should be completed for Qualifying Use as these are assessed as Domestic premises.

These examples are intended as a guide only. If you're unsure how the rules apply to your specific circumstances, we recommend checking before completing your VAT Declaration.

Need more help?

Find more information and support you need using the options below.

- Your regular customer service team is here to help - you'll find their number on your bill
- For HMRC help and guidance, visit gov.uk/guidance/vat-on-fuel-and-power-notice-70119#electricity
- For more about the HMRC definitions of 'premises', visit gov.uk/hmrc-internal-manuals/vat-fuel-and-power/vfup3100