

VAT treatment of Medical Equipment and Appliances

This document should be read in conjunction with section 46(1)(c), and paragraph 11(3) and 11(5) of Schedule 2 of the VAT Consolidation Act 2010

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Introduction

This guidance sets out the VAT treatment of medical equipment and appliances. This guidance also sets out the VAT treatment of Covid-19 testing kits.

In general, the supply of medical equipment and appliances is liable to VAT at the standard rate. However, the supply of certain medical equipment and appliances is liable to VAT at the zero rate. Covid-19 testing kits are also zero rated.

1 What medical equipment and appliances are zero rated?

The zero rate of VAT applies to certain medical equipment and appliances, being:

1. invalid carriages and other vehicles of a kind designed for use by invalids or infirm persons (mechanically propelled road vehicles are excluded),
2. orthopaedic appliances, surgical belts, trusses, and similar products,
3. deaf aids,
4. artificial limbs and other artificial parts of the body (excluding artificial teeth, corrective spectacles and contact lenses),
5. walking frames and crutches,
6. automated external defibrillators.

Parts or accessories suitable for use solely or principally with any of the goods specified above are also zero rated.

In considering whether a product qualifies for the zero rate the following should be reviewed (this list is not exhaustive):

- Is it medical equipment or a medical appliance?
- The manufacturer's descriptions and technical specification.
- The marketing material.
- An objective assessment of the functionality of the equipment / appliance.
- Is there clinical evidence that the product is effective?

1.1 Invalid carriages and other vehicles

"Invalid carriages and other vehicles" includes wheelchairs, certain wheeled geriatric chairs and commodes and wheeled evacuation chairs.

It does not include mechanically propelled road vehicles such as ambulances.

1.2 Orthopaedic appliances, surgical belts, trusses and similar products.

“Orthopaedic appliances, surgical belts, trusses and similar products” includes such goods as appliances for preventing or correcting bodily deformities and appliances for supporting or holding organs following an illness or operation.

- Orthopaedic appliances are medical appliances used to prevent or treat deformities of bones or muscles.
- Surgical belts are appliances for supporting or holding organs following an illness or operation.
- Trusses are devices used to support a hernia; or to retain the protruding organ within the cavity from which it tends to pass.

Similar products that perform similar functions to the above are also zero rated.

Also included is the supply of orthotics and orthopaedic footwear specially made or specially adapted for a particular patient on the basis of a prescription issued by a medical professional.

Off-the-shelf orthotics and orthopaedic footwear are excluded from the zero rate and their supply is liable to VAT at the standard rate.

Certain orthopaedic pillows such as tension and posture pillows, pregnancy pillows, thermo-therapy back pillows, therapeutic pillows are also zero rated.

1.3 Deaf Aids

Deaf aids are devices for assisting the hearing of people who have partial deafness.

1.4 Artificial limbs and other artificial parts of the body

“Artificial limbs and other artificial parts of the body” includes such medical equipment / appliances that functions as an artificial replacement of a missing or malfunctioning body part (e.g., a prosthetic). Generally, these products replicate or replace a body part, or perform a bodily function.

Examples include false legs or arms fitted after amputation, artificial heart valves, cochlear implants, intraocular lenses (implanted lenses), endotracheal or tracheostomy tubes.

Also included are non-absorbable / non removable sutures and non-absorbable / non removable medical staples. All other sutures and medical staples are liable to VAT at the standard rate.

1.4.1 Artificial teeth, corrective spectacles and contact lenses

Artificial teeth, corrective spectacles and contact lenses are excluded from the zero rate and their supply is liable to VAT at the standard rate.

1.5 Walking frames, crutches, and rollators

The category “walking frames and crutches” includes rollators and canes for people who are blind or vision impaired, for example, white mobility canes, long canes, symbol canes, and support canes.

A rollator is a device, equipped with wheels, used by persons with a disability or infirmity for support while walking. There are different variations of rollators, e.g., rollators may have four wheels or three wheels and may have seats.

Ordinary walking sticks are excluded from the zero rate and their supply is liable to VAT at the standard rate.

1.6 Automated External Defibrillators

An automated external defibrillator (AED) is a medical device that is used to analyse a person’s heart rhythm and to deliver an electric shock to those experiencing sudden cardiac arrest. Also included in the zero rate are paddles, batteries and cabinets that are suitable for use solely or principally with the AED.

Wearable cardioverter-defibrillator (WCD), Advanced Life Support defibrillators (ALS) and Manual External Defibrillators are excluded from the zero rate and their supply is liable to VAT at the standard rate. However, an AED device that can also be operated manually or perform other functions is zero rated.

1.7 Parts or accessories

Parts or accessories that are suitable for use solely or principally with any of the zero-rated medical equipment / appliances¹ are also liable to VAT at the zero rate.

This category does not include surgical instruments and / or delivery mechanisms that are required to deliver or implant zero-rated medical equipment / appliances.

Products such as cup holders, drink holders, cushions, mobile phone mounts, baskets, pouches etc. are not considered accessories that are solely or principally for use with any of the zero-rated medical equipment / appliances such as rollators.

2 Covid-19 Testing Kits

The supply of Covid-19 in-vitro diagnostic medical device (testing kits) is liable to VAT at the zero rate. The testing kits must conform with the essential requirements of all relevant European Medical Device Directives. An example of this would be Covid-19 testing kits which have a CE marking as proof that they meet those requirements.

¹ Paragraphs 2.1 to 2.6.

Appendix I - VAT rates for Medical Equipment and Appliances

This appendix contains a listing of various types of medical equipment and appliances and the VAT rate which generally applies. However, you should not determine the rate by referring only to this list. You should satisfy yourself by reference to the general body of this guidance and the legislation that the equipment / appliance qualifies for that VAT rating. This list is not exhaustive.

An alphabetical listing of various types of medical equipment and appliances and the VAT rates applicable per 11(3)(a) of Schedule 2 (e.g., invalid carriages and other vehicles)		
Type of Medical Equipment and Appliances	Legislation	VAT Rate
Evacuation Chair	11(3)(a)	0%
Handcycles - Wheelchairs	11(3)(a)	0%
Invalid Carriage	11(3)(a)	0%
Invalid Electric Scooter	11(3)(a)	0%
Pushchair - Wheelchair	11(3)(a)	0%
Tricycles Adapted for Disabled Persons	11(3)(a)	0%
Wheelchair	11(3)(a)	0%

An alphabetical listing of various types of medical equipment and appliances and the VAT rates applicable per 11(3)(b) of Schedule 2 (e.g., orthopaedic appliances, artificial parts of the body and similar products)		
Type of Medical Equipment and Appliances	Legislation	VAT Rate
Abdominal Binder	11(3)(b)	0%
Aneurism Clip - Implant	11(3)(b)	0%
Angio Stent	11(3)(b)	0%
Ankle Supports	11(3)(b)	0%
Anti-Embolic Elastic Stockings	11(3)(b)	0%

An alphabetical listing of various types of medical equipment and appliances and the VAT rates applicable per 11(3)(b) of Schedule 2 (e.g., orthopaedic appliances, artificial parts of the body and similar products)		
Type of Medical Equipment and Appliances	Legislation	VAT Rate
Arm Splints	11(3)(b)	0%
Balloon Catheter	11(3)(b)	0%
Biliary Stents	11(3)(b)	0%
Body Support Liners (e.g., Neck brace)	11(3)(b)	0%
Bone Cement	11(3)(b)	0%
Breast Implants (Prosthesis) includes implantable tissue expanders	11(3)(b)	0%
Burns Dressing – Water Gel	11(3)(b)	0%
Calliper - Orthotic	11(3)(b)	0%
Cervical/Spinal Collars	11(3)(b)	0%
Cochlear Implants	11(3)(b)	0%
Collagen Membrane - Dental	11(3)(b)	0%
Colostomy Bags	11(3)(b)	0%
Deaf Aids	11(3)(b)	0%
Defibrillator - Implantable	11(3)(b)	0%
Drug Eluting Stent	11(3)(b)	0%
Facial Implants	11(3)(b)	0%
Gastronomy Tubes – Implants	11(3)(b)	0%
Hearing Aids	11(3)(b)	0%
Hip Prosthesis	11(3)(b)	0%
Knee Brace	11(3)(b)	0%

An alphabetical listing of various types of medical equipment and appliances and the VAT rates applicable per 11(3)(b) of Schedule 2 (e.g., orthopaedic appliances, artificial parts of the body and similar products)		
Type of Medical Equipment and Appliances	Legislation	VAT Rate
Lohmann plaster cast	11(3)(b)	0%
Lumbar Support	11(3)(b)	0%
Mastectomy Bra	11(3)(b)	0%
Pacemakers	11(3)(b)	0%
Plaster of Paris bandage	11(3)(b)	0%
Plates/Screws - Medical	11(3)(b)	0%
Replacement Skin	11(3)(b)	0%
Roller Bandages	11(3)(b)	0%
Shoulder Brace	11(3)(b)	0%
Spinal Braces and Collars	11(3)(b)	0%
Stents	11(3)(b)	0%
Stoma Bags	11(3)(b)	0%
Surgical Belts	11(3)(b)	0%
Surgical Corsets	11(3)(b)	0%
Urinary Drainage Kit	11(3)(b)	0%
Urinary Drainage Sheaths	11(3)(b)	0%
An alphabetical listing of various types of medical equipment and appliances and the VAT rates applicable per paragraph 11(3)(d) of Schedule 2 (e.g., parts and accessories)		
Type of Medical Equipment and Appliances	Legislation	VAT Rate
Abdominal Catheter Belt	11(3)(d)	0%

An alphabetical listing of various types of medical equipment and appliances and the VAT rates applicable per 11(3)(b) of Schedule 2 (e.g., orthopaedic appliances, artificial parts of the body and similar products)		
Type of Medical Equipment and Appliances	Legislation	VAT Rate
Breathing Filters	11(3)(d)	0%
Colostomy Belts	11(3)(d)	0%
Heat/Moisture Exchangers *	11(3)(d)	0%
Ostomy Adhesives	11(3)(d)	0%
Urinary Drainage Bags	11(3)(d)	0%
Urinary Modem Connectors	11(3)(d)	0%
Wheelchair – Battery	11(3)(d)	0%
Wheelchair – Spare parts	11(3)(d)	0%

* Used with endotracheal tubes