

Food

Zero-Rating Generally

1. Food of a kind used for human consumption, which also includes drinks (see later)
2. Animal feeding stuffs
3. Live animals of a kind used for production of food for human consumption



Food for human consumption

Firstly **excluded** from **zero-rating** is the supply of food in the course of catering (catering includes any supply of food for consumption on the premises where it is supplied and the supply of hot food for consumption off those premises).

Included in **zero-rating** is generally all basic foodstuffs, examples of which are:

- Meat and poultry including exotic meats
- Fish
- Vegetables, fruit and culinary herbs (when sold unprocessed) (herbs may **not** include medicinal ones)
- Fruit and vegetable pulps (but **not** fruit juices or juice concentrates)
- Cereals
- Nuts and pulses (must be unprocessed, so that salted or dry roasted would be excluded, unless roasted or salted in their shells)
- Bakery products e.g. bread (unless supplied in the course of a hot takeaway e.g. a bun included with a hot hamburger) but does include pies, pasties and other savouries
- Cakes and biscuits (but not chocolate covered biscuits)
- Processed food, e.g. canned and frozen foods. These take the liability of the equivalent unprocessed product. So that Ice cream would be **standard-rated**. Ready meals which require further preparation e.g. reheating at home are **zero-rated** and sandwiches supplied pre-packed as part of a general range of prepared grocery items are generally **zero-rated**. However if supplied as part of a buffet or party service they will be **standard-rated**.



Ice Cream

Ice cream, iced-lollies, frozen yoghurt, water ices and prepared mixes/powders for making such are always **standard-rated**. Other **standard-rated** include sorbets and granitas, ice cream gateaux and cakes and fruit syrups sold in plastic tubs for freezing at home.

Zero-rating would include products that are supplied frozen that are later to be thawed and cooked (e.g. baked Alaska or thawed completely before eating e.g. cream, desserts that can be eaten straight from the freezer **or** left to thaw (so that this would exclude ice cream), toppings, sauces and syrups for serving on ice cream.

If wafers and cones are sold complete with ice cream they are **standard-rated**, but if sold on their own they are **zero-rated** as they are classed as biscuits.



Confectionery

Standard-rated includes:

- Chocolates, chocolate bars, liqueur chocolates
- Boiled sweets, lollipops and candyfloss
- Fruit pastilles, gums and jelly sweets
- Turkish delight
- Sherbet
- Marshmallows, snowballs and fondants
- Chewing and bubble gum
- Nuts or fruit with coatings e.g. chocolate, yoghurt or sugar
- Crystallised or sugared ginger
- Compressed fruit bars (halva however is **zero-rated**)
- Marrons glace
- Sweetened popcorn
- Sweetened dried fruit
- Cereal bars
- Florentines
- Coconut ice

Zero-rating includes:

- Angelica, glace or cocktail cherries
- Cakes
- Halva
- Biscuits not covered with chocolate
- Chocolate spread
- Liquid chocolate icing
- Snowballs
- Toffee apples
- Traditional Indian and Pakistani delicacies e.g. barfis, halvas, jelabi and laddoos, but not petha
- Traditional Japanese delicacies
- Chocolate cups



Cakes

Those, which are **zero-rated**, include:

- Sponges and fruitcakes
- Meringues
- Slab gingerbread
- Flapjacks
- Marshmallow teacakes
- Crunch cakes e.g. containing cornflakes
- Caramel or millionaires shortcake
- Lebkuchen
- Jaffa cakes

Unless the above are provided as part of a catered supply when they will become **standard-rated!**



Alcoholic drinks are always **standard-rated**

Non-Alcoholic drinks are generally **standard-rated** e.g.

- Pops and squashes
- Mineral and table waters
- Alcohol free beer and wines
- Fruit and vegetable juices any other soft drinks

Zero-rating applies to:

- Tea
- Cocoa, coffee and chicory
- Milk
- Soya or rice milk
- Coconut milk
- Meal replacement drinks for slimmers
- Unfermented fruit juices for sacramental purposes
- Angostura bitters
- Milk based drinks e.g. shakes, horlicks, whiteners and flavoured milk powder.



Savoury snacks

Standard rated are:

- Crisps and nuts
- Popcorn (unless designed for popping at home)
- Prawn crackers
- Rice cakes

Zero-rated are:

- Tortilla chips, corn chips, bagel chips
- Vegetable crisps made from beetroot, parsnips, carrots etc
- Breadsticks, garlic breads and twiglets
- Cocktail cheese savouries
- Japanese rice crackers
- Microwave popcorn
- Toasted coconut, almonds and chopped nuts for baking

*Generally the VAT on alcohol is **not** claimable if it is classed as **entertaining**, where however, it is classed as catering and will be resold, the VAT will be able to be reclaimed.*

