

Mayflower Theatre Case

Customs have lost in the Court of Appeal. Their argument was that under the partial exemption regulations Mayflower Theatre was not entitled to deduct a proportion of the input tax attributable to miscellaneous sales such as programmes.

The judgement in the Theatres favour ruled that there was a direct and immediate link between the production company services and programme sales (zero rated) which afforded a proportionate amount of input tax recovery by the theatre in respect of these supplies.