

## Yacht VAT planning

### Background

The following message was released from the Isle of Man Treasury with regard to HMRC's VAT guidance:

Without notice HMRC have published Business Brief 56/09 on their website dated 26th August; please follow link below:-

<http://www.hmrc.gov.uk/briefs/vat/brief5609.htm>

The brief follows, word for word, the guidance HMRC wished us to publish and that we shared with the IOM Yacht Forum whose response was that should HMRC publish that guidance it would spell disaster for the IOM Yacht Management sector. We have also advised the Yacht Forum that HMRC has released this Brief. It appears that HMRC have taken no notice whatsoever of either the feedback from the IOM Yacht Forum nor IOMC&E pleas for balancing the introduction of new guidance with VAT simplification measures which most OMS now appear to have introduced. Similarly HMRC have ignored requests for transitional arrangements to allow existing structures which they may now interpret as abusive to be restructured.

*4 Eyes Ltd is currently looking at alternative VAT structures to enable the retention of the VAT benefit and can advise further on request.*

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