**Notes from Land & Property Liaison Group meeting 17 May 2019**

* Option to Tax, authorised signatories.

HMRC agree with the Group members that anyone can opt but advised that option is not valid if no interest held in land or property. VAT group representative member can opt if authorised by the member holding interest in land. This view was challenged and HMRC agreed to reconsider and comment in the minutes.

* Notice 742

The updated notice is still not published, HMRC not able to give timeline for publication

* DIY claims

Several claims are bring rejected for not complying with time limits. HMRC current policy determining when a building is complete, is not in line with published guidance. CLA representative requested a separate meeting with HMRC.

* Dwelling/RRP

HMRC provided an outline of the legal analysis supporting the view that a building cannot be both a dwelling and RRP. The updated Notice 742 will provide clarification.

* Consultation on reduction in scope of energy saving materials

The consultation ended on 3 May 2019 and the results are under review.

* Sale and lease back

No change to guidance following judgement in ECJ case, Mydibel SA . Deductions and Financial Services VAT Policy team are aware of the decision and are considering it.

* Deposits forfeited

Clarification sought following RCB 13 (2018), which seems to imply that VAT is due on all retained payments for unused services and uncollected goods, on how to treat deposits relating to land which could be zero-rated, exempt or TOGC. HMRC advised that VAT will be due on the amount of the payment at the appropriate rate (zero, reduced or standard) when the payment is made. If the intended supply is unfulfilled that does not disturb the VAT treatment of the payment on account.

Position may be different in the case of stakeholder accounts dependant on terms and conditions as tax point is when the money moves out of the account.