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**Date** 09 July 2012  
**Our ref** FOI 2063/12  
**Your ref**

## **Freedom of Information Act 2000**

Dear Mr Hegarty,

Thank you for your request for information asking for the following:

1. *The amount of VAT collected by year for the last 10 years on construction activities subject to 17.5/ 20% VAT;*
2. *The amount of VAT collected by year for the last 10 years on construction activities subject to VAT at less than the maximum rate;*
3. *The value in terms of GDP of construction activities subject to 0%VAT*

Your request was received on 12 June 2012 and I am dealing with it under the terms of the Freedom of Information Act 2000.

### ***The amount of VAT collected on standard and reduced rated activities***

HMRC holds information on VAT registered traders by type of activity undertaken. The type of activity a VAT registered trader is allocated to in HMRC's data relates to its main business activity and is in line with the Standard Industrial Classification 2007 (SIC 2007).

The construction sector is made up of the following SIC main subsectors;

- construction of buildings,
- civil engineering and
- specialised construction activities.

The table below shows the total amounts of net VAT declared on VAT100 Returns during each year from the construction sector. You should note that the final payment (or repayment) made to (or by) HMRC may not necessarily match what is declared

by the trader on the VAT return (for example where tax is withheld by HMRC, or where there are receipts or repayments not related to a return).

Year	Net Tax Declared (£m)
2004-05	3,670
2005-06	3,630
2006-07	3,890
2007-08	4,680
2008-09	5,860
2009-10	5,860
2010-11	6,360

Various construction activities are subject to reduced rates. For a full list of activities that are subject to reduced rates please refer to the link below.

<http://www.hmrc.gov.uk/vat/sectors/builders/construction.htm>

HMRC does not require traders to provide a breakdown of their VAT liabilities according to whether the liabilities were generated by standard or reduced rated activities. For this reason HMRC cannot breakdown the above figures by construction activities that are subject to different rates of VAT.

Information on the total amounts of VAT receipts in the UK is published in our VAT Bulletin at: <https://www.uktradeinfo.com/Statistics/Pages/TaxAndDutyBulletins.aspx>. HMRC's VAT receipts data cannot be broken down by sector.

#### ***Value in terms of GDP of construction activities subject to the zero rate of VAT***

HMRC does not hold data on the monetary value of activities subject to the zero rate. You are recommended to contact the Office for National Statistics (ONS) who might be able to provide you with the relevant information. ONS publish information on the contributions to GDP growth by sector (including construction).

Contact information to the ONS is available at their website;

<http://www.ons.gov.uk/ons/index.html>

If you are not happy with this reply you may request a review by writing to HMRC FOI Team, Room 1C/25, 100 Parliament Street London SW1A 2BQ. You must request a review within 2 months of the date of this letter. It would assist our review if you set out which aspects of the reply concern you and why you are dissatisfied.

If you are not content with the outcome of an internal review, you may apply directly to the Information Commissioner for a decision. The Information Commissioner will not usually consider a case unless you have exhausted the internal review procedure provided by HMRC. He can be contacted at The Information Commissioner's Office, Wycliffe House, Water Lane, Wilmslow, Cheshire SK9 5AF.

Yours sincerely

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