



**Option to Tax National Unit
Local Compliance**
Portcullis House
21 India Street
Glasgow
G2 4PZ

FAO - Donald K Griffiths (Director)
Cramar Leisure Limited
Little Burley
Bringsty
Nr Bromyard
Worcestershire
WR6 5TG

Tel 0141 555 3548/3599
Monday - Thursday 09:00 to 17:00
Friday 09:00 to 16:30

Fax 0141 555 3367

www.hmrc.gov.uk

Email optiontotaxnationalunit@hmrc.gsi.gov.uk

Date 15 December 2008
Our Ref OTT/R/08/17096/DG
Your Ref
VAT Number: 729 3179 12

Dear Mr Griffiths

Acknowledgement of Option to Tax

I acknowledge your notification dated 21 October 2008, regarding your option to tax, under paragraph 2, Schedule 10 of the VAT Act 1994, on the following land/property:

Address of land/property

**Wheelwrights Arms
Pencombe
Bromyard
Hertfordshire
HR7 4RN**

Effective date of option

1 November 2008

This option to tax covers all principles outlined in Public Notice 742A – Opting to tax land and buildings – paragraph 2.4. Please note an option to tax on a building includes the land on which the building stands (see Public Notice 742A paragraph 2.1 for full details) Please note the following points.

- If your interest is restricted to one floor then only this floor will be affected by it. However, should you later acquire an interest in another floor it too will be covered by this option.
- **Input tax:** if your option to tax is restricted or made ineffective, your entitlement to recover input tax could be severely affected.
- Your option to tax may not make taxable a grant of the land/property which is, or is expected to become, a capital item as per **Regulations 112 to 116 of the VAT Regulations 1995.**

- If either you, a person funding your acquisition of the land/property, or a person connected to either of you intends to or expects to occupy the land/property for anything other than mainly taxable business purposes, you should be aware of **paragraphs 12 to 16 and 34, Schedule 10 of the VAT Act 1994**, which may disapply your option to tax.
- Your option to tax will not have an effect on all land/property, for example, property intended for use as a dwelling or for relevant residential or charitable purposes. Please refer to Public Notice 742A, Section 3 for further details.
- **Regulation 31(1) of the Value Added Tax Act Regulations 1995** stipulates that all VAT registered persons are required to keep pertinent business records for a period of 6 years. However, as options to tax are valid for at least 20 years, as per **paragraph 25, Schedule 10 of the VAT Act 1994**, we recommend that all records pertaining to an election should be retained for no less than 20 years from the effective date given.

If you have any queries please do not hesitate to contact this office.

Yours sincerely



Douglas Grant
Officer of HM Revenue & Customs