



The Principal Inspector of the Dublin VAT District has made a ruling that Lending Institutions' Solicitors are not entitled to issue VAT Invoices to Borrowers or their Solicitors in respect of fees for the taking up of documents or the preparation and completion of releases of Mortgages. The Revenue's view is that the Lending Institution's solicitor's contract is with his client and he is therefore entitled only to issue Invoices to that client.

Accordingly, the VAT Invoice must be issued by the Lending Institution's Solicitor to the Lending Institution and the amount of the VAT can only be included in the total fee charged to the Borrower or Borrower's Solicitor and should not be set out separately.

This reversed the recommendation made by the Conveyancing Committee in the March 1983 Gazette.

VAT ON LENDING INSTITUTIONS' SOLICITORS' FEES

CHANGE OF PRACTICE