



Different clients attract different VAT rates

WHAT YOU DO	UK CLIENTS	NON UK CLIENTS
Performances	20%	Outside the scope
Sessions	20%	Reverse Charge
Royalties	20%	Outside the scope
Licensing	20%	Reverse Charge
Other Services	20%	Outside the scope
Goods	20%	Outside the scope

All of these mean no VAT



Most types of revenue in the music industry are SERVICES

Singers, Musicians, and DJs

- Performance fees
- Royalties
- Licensing fees
- Merchandise sales
- Session musician fees

Songwriters, Composers and Music Publishers

- Royalties
- Performance royalties
- Licensing fees
- Commission fees

Music Producers

- Fees for producing, mixing, or mastering
- Session fees
- Royalties

Recording Engineers

- Fees for recording, mixing, or mastering sessions
- Consulting or teaching fees
- Royalties

Live Sound Engineers

- Fees for setting up and managing live sound
- Royalties

Music Managers, Booking Agents and A&R Professionals

- Commission fees
- Consulting fees

Music Marketing and Promotion

- Advertising and marketing fees
- Public relations fees

Music Journalists and Critics

- Writing or reviewing fees
- Royalties

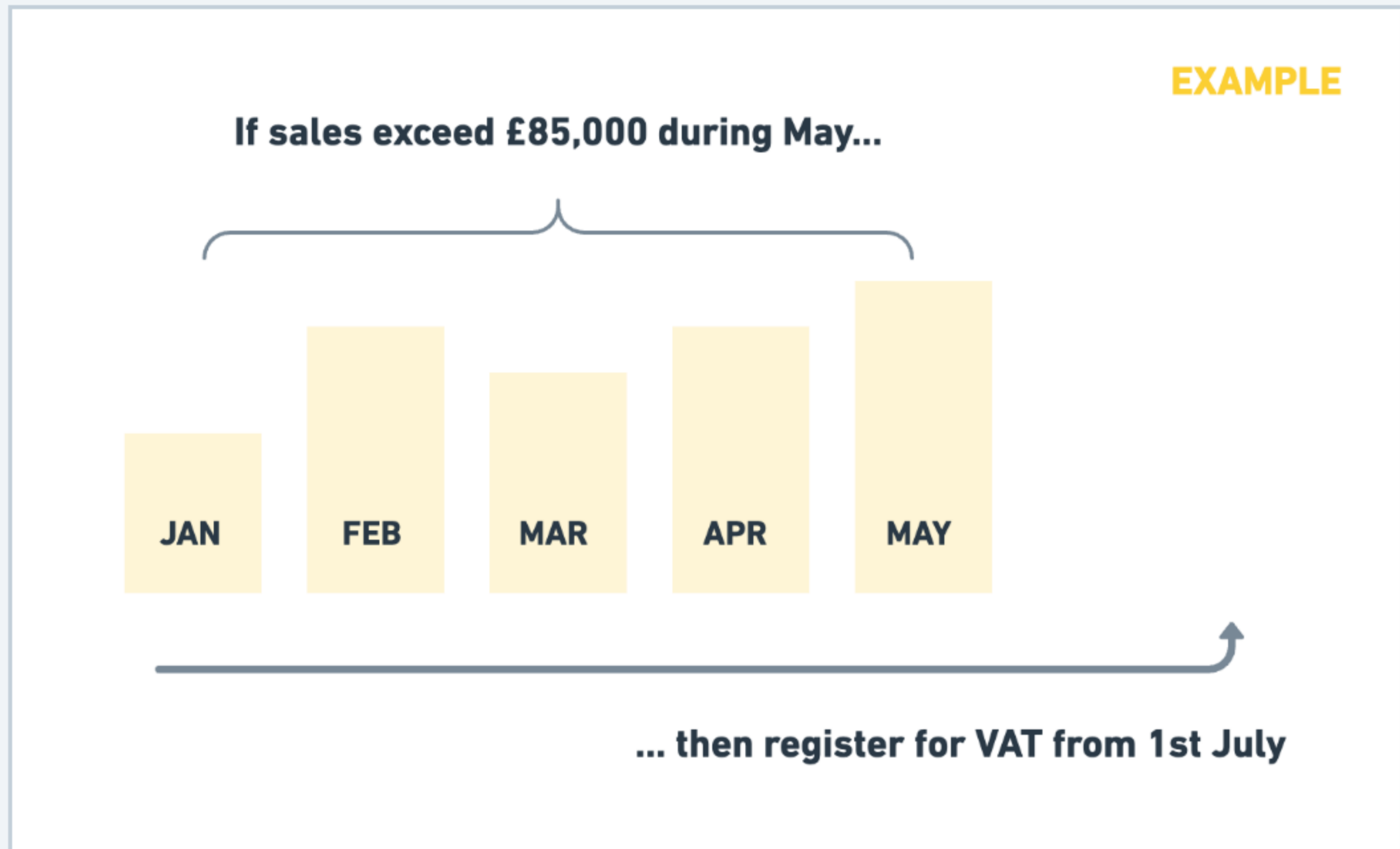
Music Educators and Therapists

- Teaching fees
- Consulting fees
- Workshop fees

Music Licensing and Sync Professionals

- Licensing fees
- Sync fees
- Royalties

Register for VAT if sales exceed £85,000 in any 12 month period



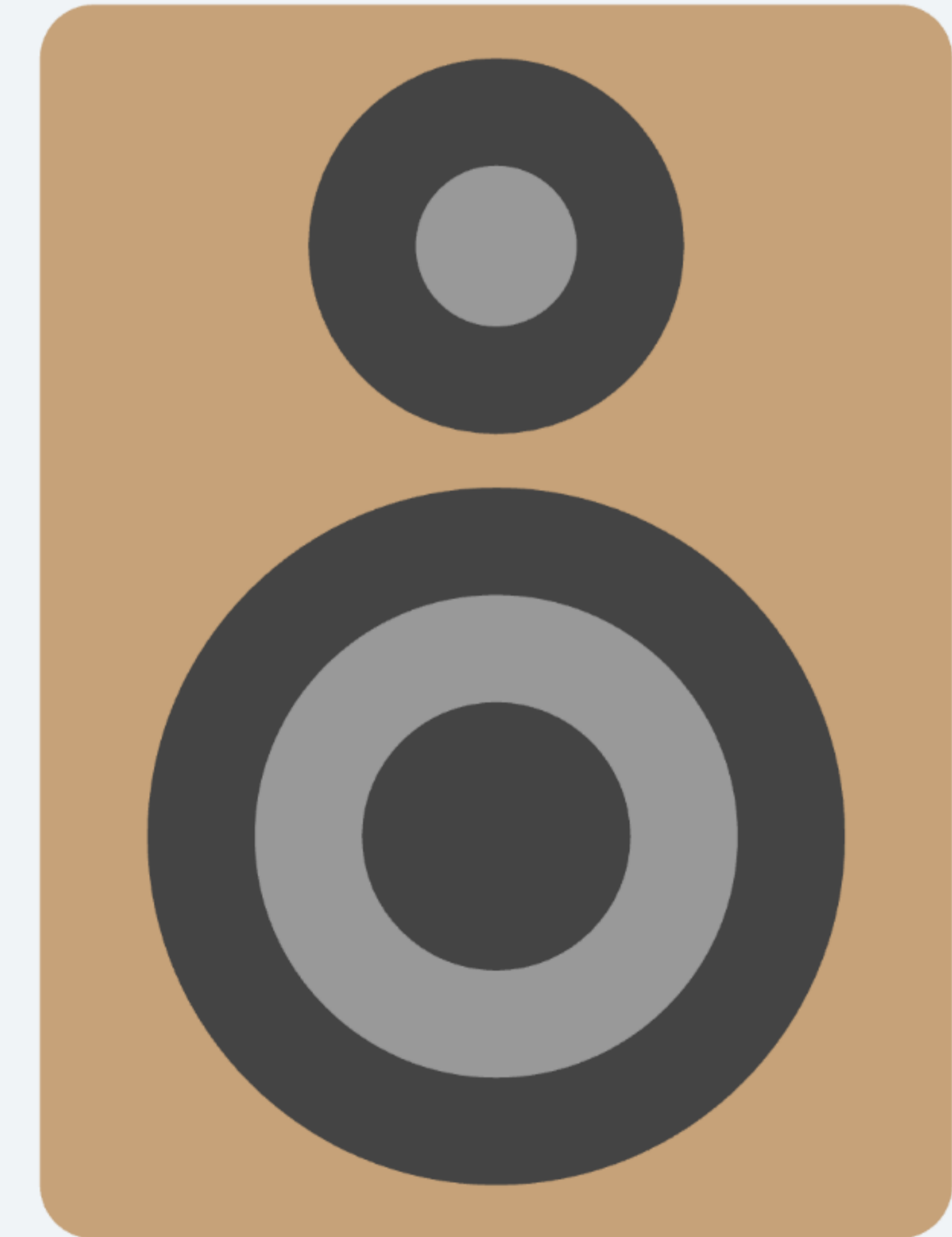
Everything You Need To Know About UK VAT for Musicians and Small Music Businesses

Don't forget to claim VAT on pre-registration expenses

	TIMING	EXAMPLES
SERVICES	Six Months	Rent, Accounting, Legal Fees
GOODS	Four Years	High Value Equipment

Claim VAT on services up to six months prior to your effective date of registration (EDR).

Claim VAT on goods up to four years before your EDR, but only where the goods are still in-use on the EDR. Short-lived goods like food and petrol are unlikely to meet the conditions.



But some sales are GOODS with different rules for VAT

- CDs / Vinyl Records
- Merchandise
- T-shirts