

VAT refunds on Royal Mail postal services

Do you regularly use Parcelforce or Royal Mail Commercial Services?

If your business uses or has used the Royal Mail for Parcelforce or mailroom services, you could be eligible for a VAT refund. Some services supplied by Royal Mail have been treated as exempt from VAT but should have been taxable.

Who might benefit?

The main business sectors affected are likely to be:

- mail order companies;
- internet retailers;
- mailing agents;
- advertisers and agencies;
- publishers;
- parcel delivery companies;
- leaflet delivery companies;
- envelope filling and drop companies;
- companies with subscription services that include:
 - delivery of magazines;
 - DVD delivery companies;
- Any business that has a contract of some description with the Royal Mail.



To be eligible for a refund of VAT, your business should have been VAT registered at the time the expense was incurred.

Case studies

Company ABC is an online retailer and over a 4 year period paid £300k to Parcelforce in respect of delivery services. The VAT refund is likely to be in the region of £45,000.



Company XYZ is in the publishing sector and over a 4 year period paid £500k to Royal Mail in respect of mailroom services. The VAT refund is likely to be in the region of £75,000.

Action to take

Review services purchased from Royal Mail. Contact us and we will establish if those services are eligible for a refund of input tax.

To maximise the amount of VAT refund, claims should be lodged as soon as possible. Retrospective VAT claims are capped at four years, so every day that you delay reduces the amount of potential VAT refund.

Contact US...

We will prepare and handle your claim for a percentage of the VAT repayment plus interest. We work on a no success—no fee basis.

Please contact Carolyn Van Hecke on **01204 41 42 63** or email carolyn.vanhecke@cowgills.co.uk

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