

Business FAQs June 2026

Our South and Vale Business Support Team encourage businesses in South Oxfordshire and Vale of White Horse to find out more about HM Government's announcement of a temporary reduced rate of VAT for children's meals, tickets and family attractions.

We have put together a business FAQs (below) and if your business is planning related promotions and would like to support [Visit Southern Oxfordshire](#) marketing campaigns during the Summer please let us know by emailing tourism@southandvale.gov.uk.

This document has been put together by our Economic Development team and is provided for **general guidance only** and does not constitute financial, tax or legal advice.

While every effort has been made to ensure accuracy, South Oxfordshire and Vale of White Horse District Councils accept no responsibility for any errors or omissions.

The details in this document are based on publicly available HM Government information as of 25 June 2026. Businesses should refer to official HMRC guidance throughout the scheme and seek independent professional financial advice before making related decisions. We will publish any significant updates received regarding the scheme during its operational period, in the SVBS newsletter. You can sign up to our newsletter via the [South Oxfordshire](#) and [Vale of White Horse District Council](#) websites.

We encourage businesses to review and continue to refer to the official scheme briefing, [available here](#) on the government's website, including monitoring for updates. General enquiries may be directed to HMRC's [VAT: general enquiries service](#).

Any references to external organisations or sources are provided for information only and do not constitute endorsement or recommendation by the councils.

Temporary reduced rate of VAT for children's meals, tickets and family attractions: South and Vale Business FAQs

1. What is the Great British Summer VAT reduction scheme?

HM Government has introduced a **temporary VAT reduction from 20 per cent to 5 per cent** on selected family-focused goods and services. The scheme is designed to support household spending and increase footfall for businesses during summer 2026.

2. When does the scheme run?

The reduced VAT rate applies is scheduled to run from **25 June to 1 September 2026 (inclusive)**. After this period, VAT returns to the standard rate.

3. Which businesses are affected?

The scheme applies, **but is not limited to** the following type of businesses:

- restaurants, cafés and similar catering establishments
- cinemas, theatres, exhibition and performance venues
- operators of circuses, fairs, amusement parks, theme parks, adventure parks and water parks, zoos and other animal attractions, soft play centres, observation attractions and certain other family-focused attractions
- museums and similar cultural attractions

4. What goods and services qualify for the 5 per cent VAT rate?

The reduced rate applies to the following categories of supplies where the conditions (as described within the briefing) are met:

- children's meals
- children's cinema, theatre, show and concert tickets
- admission to certain attractions

In some cases, **family tickets meeting detailed conditions may also apply.**

There are numerous conditions applying to all qualifying supplies, and businesses are strongly encouraged to review the [government briefing](#) for full details.

5. What does not qualify?

The reduced rate does **not** apply to:

- Adult-only tickets
- Takeaway food

- Merchandise, upgrades, or add-ons
- Sporting activities, such as admission to sports events or facilities
- Services not clearly aimed at children or families

Other exemptions may apply. For details and examples, please read [the government briefing](#).

6. How do I determine if my product qualifies?

Eligibility depends on how the product is marketed, priced, and presented, not just who buys it.

For example:

- A clearly branded “children’s meal” qualifies
- A smaller portion of an adult dish does not qualify

More advice, guidance and examples, including on bundles and mixed supplies, are given within the [government briefing](#).

7. Do I have to pass the VAT saving on to customers?

HM Government has been clear that it expects businesses to pass on savings, but ultimately this is a business decision. The purpose of the scheme is to:

- Help families with costs
- Increase demand and customer footfall

It is recommended that businesses seek professional advice before implementation.

8. What operational changes should I consider?

Businesses need to consider:

- Updates to pricing, menus, and ticket structures
- Adjustments to Point-of-Sale systems and accounting software
- Review of websites and booking systems
- Training staff on the new rules
- Review existing bookings and decide how these will be handled
- Manage the readjustment in September when VAT returns to standard rates (which could be viewed as a price increase)

9. How do VAT accounting rules apply?

Standard VAT rules continue, including:

- Time of supply (tax point) rules

- Treatment of deposits and advance bookings
- VAT apportionment for mixed supplies

Extra care is needed for:

- Pre-booked tickets
- Deposits taken before or during the scheme
- Bundled offers

Further details can be found within the [government briefing](#).

For further information on tax points and the specific change of rate provisions, read [VAT guide \(VAT Notice 700\)](#).

10. What are potential compliance risks?

Common risks include:

- Applying 5% VAT to non-qualifying items (may lead to a liability with HMRC)
- Incorrect treatment of mixed or bundled sales
- Poor record-keeping or lack of evidence of marketing and promotion
- Errors when switching rates before/after the scheme

Businesses should maintain clear documentation on pricing and marketing decisions and seek professional financial advice for bespoke questions.

11. Do I need to change my pricing strategy?

This is a commercial choice. Businesses may:

- Pass on savings to drive higher footfall
- Create targeted offers or bundles

The scheme is designed to stimulate demand during a key trading period.

Further practical advice and views on the scheme can be found within a range of online sources, including [BBC News](#), [Simply Business](#), and [Grant Thornton](#).

Businesses are encouraged to seek professional advice for bespoke questions.