

VAT Relief Extension

Template letter to write to your local MP

- The below letter is a template for you to customise to send to your local MP on behalf of your business.
- This template is intended to be used as a guide; adding further detail about your personal circumstances will have a big impact.
- If applicable, place the letter on headed notepaper, even if you are sending electronically.
- You can find contact details for your Member of Parliament by entering your postcode on the following website <https://members.parliament.uk/>
- Once you have the information you require, simply email the letter to your MP as a PDF attachment.
- MPs often receive hundreds of email each day, so do expect a slight delay in response.

Template Letter

[Name of Member of Parliament]
House of Commons
London
SW1A 0AA

Letter sent via email: [add in email address of MP]

Insert date

Dear [Name of MP]

Extension of 5% VAT rate of live music

I am writing to request your support in urging the Government to extend the reduced 5% VAT rate on tickets.

As one of the first industries to close at the outset of the pandemic, and now one of the last to reopen, live music has been one of the hardest hit sectors of the COVID-19 crisis.

Prior to the outbreak of the pandemic, the UK's creative industries were growing at five times the rate of the wider economy, generating £11.25bn in GVA each year and supporting over 600,000 jobs. Over a third of that contribution is made by the live music industry, which adds £4.5 billion to the UK's annual GVA, and supports hundreds of thousands of jobs both



through direct employment and its highly skilled supply chain. From a record high in 2019, revenue fell by 81% in 2020, and 50% of permanent roles have now been lost.

[Insert information on the impact the pandemic has had on your business and the people you employ]

The entire live music industry now faces a cliff edge scenario. Without urgent and targeted Government intervention, the companies, artists, workers and infrastructure that support the industry's complex ecosystem will not be there to recover once the pandemic is over.

One of the most impactful ways the Government can support the live music industry is by extending the reduced 5% VAT rate on ticket sales. This policy was warmly welcomed when it was announced last year, but the live music industry has not yet truly benefited from it as almost no activity has taken place due to ongoing lockdown restrictions.

If the 5% VAT rate were in place once ordinary ticket sales had resumed (annual consumer spend on live music is approximately £1.7bn), the industry would benefit from a saving of around £320m - income businesses across the live music ecosystem desperately need to recover. The extension of this relief would revitalise the entire supply chain by providing businesses like mine with the support we need to recapitalise and move forward.

I was deeply concerned by recent media reports that the Government does not plan to extend the relief beyond March 31, 2021. The reduced VAT rate could be a lifeline for our industry but it will have been worthless if it is removed just before we can get back to some kind of activity.

The DCMS Select Committee has recommended a three-year extension to the reduced rate and I urge you to call on the Government to provide this much-needed lifeline for our industry.

Finally, it is imperative that the Government further defers VAT payments currently due by March 31. The provision to pay VAT in instalments does not provide any support for those businesses, like mine, that have made very little income due to Government lockdown restrictions and are therefore in the same position as we were when the scheme was announced.

To support [insert name of your company] and other businesses like it I would be grateful if you could write to the Chancellor requesting that he extend the reduced 5% VAT rate and the VAT deferral scheme at the Budget on March 3.

Yours sincerely,

[Name]