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Do You Pay VAT on Private Medical Services in the UK?

In the UK for the 2026/27 tax year, most private medical services remain VAT-exempt when they are genuine healthcare treatments provided by registered professionals.

However, VAT medical treatment UK rules are strict. And they don't apply to everyone equally. Certain services like purely cosmetic procedures, wellness packages, or non-essential add-ons can attract the standard 20% VAT.

So yes, **VAT on private medical services in the UK depends** on what exactly is being provided, who is providing it, and why.

Let’s break it down!

When Is Private Medical Treatment Exempt from VAT?

Under Schedule 9, Group 7 of the VAT Act 1994, medical services are exempt from VAT when two conditions are both met:

1. The service is provided by a **registered health professional** (or someone directly supervised by one)
2. The **primary purpose** of the service is to protect, maintain, or restore the health of the patient

It is not related to whether the service is delivered privately or through the NHS. It is concerned with *what the service is for* and *who is providing it*.
For many, the VAT medical treatment UK exemptions apply to the vast majority of their healthcare needs.

Why the "Purpose" of the Treatment Matters?

HMRC is very particular about *why* you are getting a medical service. Medical care must be for the protection, maintenance, or restoration of health.

If you are a private clinic owner or a patient, you need to look at the primary goal of the service. A consultation to figure out why you have chronic pain? Exempt. On the other hand, a consultation to discuss a facelift? Standard-rated.

Hence, applying VAT on private medical services in the UK depends entirely on that distinction.

At CruseBurke, our healthcare accountants manage [VAT for medical providers]() to make sure they aren't accidentally overcharging patients or, worse, underpaying HMRC.

Who Counts as a Registered Health Professional?

HMRC's VAT Notice 701/57 lists the professionals whose services can qualify for exemption. These include:

Registered Professional	**Regulatory Body**
Doctors / GPs	General Medical Council (GMC)
Dentists	General Dental Council (GDC)
Nurses / Midwives	Nursing and Midwifery Council (NMC)
Physiotherapists	Health and Care Professions Council (HCPC)
Opticians	General Optical Council (GOC)
Pharmacists	General Pharmaceutical Council (GPhC)
Psychologists	Health and Care Professions Council (HCPC)
Anaesthesia Associates	GMC (Regulated from December 2024)

If you are seeing someone for a "wellness" treatment who isn't on a government-recognised medical register, you can bet that **VAT on private medical services in the UK will** be added to your bill.

Important: Even if a healthcare assistant or unregistered person assists during treatment, the exemption can still apply if a registered professional is directly supervising them.

Check Out: [Important VAT Rules Healthcare Providers Need To Know]()

So, When Does VAT Actually Apply to Private Medical Services? (The Exceptions)

The tricky part of VAT medical treatment UK is the exception list. There are several "grey areas" where the standard rate of VAT applies.

1. Cosmetic Surgery and Aesthetic Treatments

This is probably the biggest grey area in VAT on private medical services in the UK right now. The rule is straightforward in theory: **cosmetic procedures carried out purely for aesthetic reasons attract 20% VAT.**

However, if a plastic surgeon is performing reconstructive surgery after an accident, that is medical. So it is exempt.

If the treatment doesn't diagnose, treat, or cure a medical condition, it is taxable. And this is a huge factor when calculating VAT medical treatment UK costs for aesthetic clinics.

2. Medico-Legal Reports

If you need a doctor to write a report for a personal injury claim or a court case, that is not considered "medical care."

The purpose is to provide information to a third party, not to treat the patient. Therefore, these services attract the full 20% **VAT on private medical services in the UK**.

3. Health Screening and "Wellness"

General health screenings that just give you "peace of mind" without a specific medical concern are often taxable.

However, if the screening is targeted at a specific risk or condition, it might be exempt. It often comes down to how the service is documented and how VAT medical treatment UK guidelines are interpreted.

The Partial Exemption Rule for Clinics

If you run a private clinic, you might offer a mix of both. You might have one room doing physiotherapy (exempt) and another doing laser hair removal (taxable). This puts you in the "partially exempt" category for VAT medical treatment UK purposes.

Being partially exempt is a bit of a nightmare for bookkeeping. You can't just reclaim all the VAT you spend on your rent, electricity, or equipment. You have to use a specific formula to work out how much "input tax" you can actually get back.

Managing VAT on private medical services in the UK while partially exempt takes a lot of care.

VAT Registration: Do You Still Need It?

Even if many of your services are exempt, you may still need to register for VAT.

You must register if:

- Your taxable turnover exceeds the VAT threshold (£90,000 as of 2026/27)
- You provide taxable services (like cosmetic procedures)

Important: Exempt income does NOT count towards the threshold, but taxable income does.

So a clinic doing mostly exempt work might still cross the threshold because of a growing cosmetic side.

NEW: You must comply with Making Tax Digital (MTD), which legally requires you to keep digital records and file returns using compatible accounting software.

Check Out: Private Medical Practice Tax Planning: Complete Guide

VAT on Weight Loss Treatments and New Aesthetics Services

One of the fastest-growing areas of concern for HMRC right now is weight loss injections and aesthetic wellness treatments. With services like Ozempic and similar treatments being used for cosmetic weight loss rather than managing Type 2 diabetes, the VAT position depends heavily on the patient's diagnosis and the stated clinical purpose.

HMRC has not yet issued specific guidance on all of these newer treatments. But the existing case law makes clear that if there's no medical diagnosis driving the treatment, VAT on private medical services UK will likely apply. This is an evolving area of VAT medical treatment UK and one to watch closely through 2026 and into 2027.

Is Cosmetic Surgery Always Subject to VAT?

No, not always. If the principal purpose is therapeutic, or the procedure is part of a recognised treatment programme, exemption may still apply. But if the main purpose is appearance rather than healthcare, HMRC will usually apply VAT on private medical services UK as standard-rated.

Is Private Medical Insurance Subject to VAT?

No. Private medical insurance premiums are exempt from VAT but are subject to Insurance Premium Tax (IPT) at 12%. This is included in the premium rather than added on separately. Therefore, you won't see it as a line on your invoice. But it's there.

Can a Private Healthcare Provider Reclaim VAT on Their Costs?

It depends. If the practice makes only VAT-exempt supplies, it cannot register for VAT and cannot reclaim input VAT. If the practice makes a mix of taxable and exempt supplies, it may be able to reclaim a proportion of VAT on costs under the VAT medical treatment UK partial exemption rules.

The Bottom Line

So, is VAT applicable on private medical services in the UK? For the 2026/27 tax year, the answer is mostly no, unless the service is cosmetic or non-essential.

However, VAT on private medical services in the UK remains a complex area, with exemptions protecting genuine healthcare but leaving room for confusion. VAT medical treatment UK rules are there to help. But they are easy to trip over if you aren't careful.

If you're a patient, check your invoice. If you're a provider, make sure your VAT treatment is correct. And if you're unsure, **CruseBurke** is here to assist you with all things VAT on private medical services in the UK.

How CruseBurke Can Help

At CruseBurke, we have made it our mission to protect the finances of those who spend their lives protecting others. Our team of specialist healthcare accountants understands the complexities of healthcare finances.

If you need help with VAT on private medical services in the UK or any other accounting service, such as bookkeeping, payroll, or year-end accounts, reach out to us today. We would love to discuss how we can make your life easier and your practice more profitable!