

### The VAT laws changed on 1st January 2019



Length of service awards	£25,000
Employee incentives	£15,000
Partner rewards	£10,000

Initial Outlay **£50,000** incl VAT

Claim back VAT **£10,000**

### The Verdict

Company



**Very Happy:**  
They could give away £50,000 but it would only cost £40,000.

Recipient



**Quite Happy:**  
As they receive vouchers but they can only be used in certain shops.

### Now (From 1st January 2019)

You can now claim VAT back on vouchers so £50,000 of vouchers will cost £50,000

### The Verdict

Company



**Neutral:**  
Gives recipients £50,000 in vouchers and pays £50,000 for them.

Recipient



**Quite Happy:**  
As they receive vouchers but they can only be used in certain shops.

### The end of vouchers?

**60%**

of employees believe that quality benefits are even more important than job security when it comes to overall job satisfaction



**Vouchers:**  
Restricted for use in certain shops



**Prepaid Cards:**  
Use in millions of locations that accept:



### The Verdict

Company



**Very Happy:**  
While they still pay £50,000 for £50,000 of value on prepaid cards, the company is feeling pretty good about giving people a reward they like more than vouchers.

Recipient



**Very Happy:**  
As they receive reward cards they can use anywhere that accepts Mastercard™ instore or on online.

\* To clarify, VAT cannot be claimed on the new definition of Single Purpose Vouchers (SPVs)

\*1 Employee Job Satisfaction and Engagement Report 2016 by the Society for Human Resource Management

B4B Payments is authorised by the Financial Conduct Authority to conduct electronic money service activities under the Electronic Money Regulations 2011 (Ref: 930619). UAB B4B Payments Europe is authorised by the Bank of Lithuania as an Electronic Money Institution (Licence No: 76) under the Law on Electronic Money and Electronic Money Institutions 2011

In Europe, Cards are issued by B4B Payments pursuant to license by Mastercard International Inc. Mastercard is a registered trademark, and the circles design is a trademark of Mastercard International Incorporated.

In the USA, the B4B Payments Visa® prepaid card is issued by Metropolitan Commercial Bank Member FDIC, pursuant to a license from Visa U.S.A. Inc.

All communications should be sent to: Europe – PO Box 76256, London, SW1P 9NU USA – B4B Payments, 275 Grove Street, Suite 2-400 Newton, MA 02466