# UK government defends VAT on private school fees in High Court



In a recent legal proceeding at the High Court, the UK government defended its decision to impose VAT on private school fees, asserting that the policy is pivotal for creating a fairer tax system. The High Court session, which featured arguments from government representatives including Chancellor Rachel Reeves, HM Revenue and Customs (HMRC), and the Department for Education, comes in response to a judicial review initiated by three separate groups. The groups, encompassing parents of children with special educational needs and disabilities (SEND) as well as low-paying faith schools, argue that the new policy is at odds with human rights law and discriminates against their interests.

The policy to introduce VAT on private school fees was a prominent aspect of the Labour Party’s manifesto during the previous general election, officially taking effect on 1 January 2024. The government's stance, articulated by Sir James Eadie, the First Treasury Counsel, highlights that it sees no obligation to financially support private education, framing the VAT measure as a means to generate additional tax revenue aimed at bolstering public services, particularly state education.

During the court session, Sir James noted that the government had conducted extensive consultations regarding the implementation of the policy, during which the advantages and disadvantages of potential exemptions for small faith schools, international schools, and students with special educational needs were assessed. However, he indicated that the government ultimately determined that such exemptions would be impractical and administratively burdensome.

Moreover, only fees for students with a local authority education, health, and care plan (EHCP) that specifies their school will remain exempt from the VAT charge. As he explained in court, parents have the option to select private education for their children if they can afford it or choose to educate them at home. Sir James reiterated that raising costs for parents opting for private schooling does not infringe on common law, a point he detailed in his submissions.

The government has called for the dismissal of all three claims brought forth in the judicial review, underscoring its commitment to reinforcing the public education system for the 94% of children enrolled in state schools. The outcome of this case could have significant implications for the funding landscape of both private and state education in the UK.

Source: [Noah Wire Services](https://www.noahwire.com)

## References

* <https://news.sky.com/story/vat-on-private-school-fees-has-had-damaging-effect-on-children-court-hears-13339764> - This URL supports the claim that the High Court is hearing a legal challenge over the UK government's decision to impose VAT on private school fees, with arguments raised about the policy's impact on children and families, including those with special educational needs.
* <https://www.telegraph.co.uk/news/2025/04/01/reeves-warned-private-school-tax-raid-harm-poor-families/> - This URL corroborates the information that the government's decision to apply VAT on private school fees was part of Labour's manifesto and is expected to generate significant revenue, while also highlighting warnings that the policy would affect less affluent families.
* <https://www.the-independent.com/news/uk/home-news/parents-send-children-private-school-vat-b2725254.html> - This URL supports the claim that parents of children with special educational needs are significantly affected by the VAT increase on private school fees and have joined the legal challenge against the government.
* <https://www.mass.gov/guide-to-evidence/article-xi-miscellaneous> - Although this URL does not directly support the claims about private school VAT, it provides context on legal proceedings in general, emphasizing the importance of admissibility of evidence in court cases.
* <https://pmc.ncbi.nlm.nih.gov/articles/PMC10311201> - This URL is not directly relevant to the VAT issue but provides a broader context on legal and procedural matters, such as the use of digital evidence in legal cases.