

VAT on Food Supplement Products – Public Consultation.

Response to VAT Consultation Document.

My name is and I am a practicing Nutritional Therapist and member of NTOI (Nutritional Therapists of Ireland)

NTOI represents over 350 professionals who are qualified to give nutritional advice to individuals looking to improve their health.

We are one of only two professional representative bodies in Ireland engaged in this, the other being dietitians who work mostly in medical care settings.

In my submission, I am advocating for leaving the VAT rate on food supplements at zero for the following reasons:

I and my fellow NTOI members work at the coal face of preventative healthcare, helping many thousands of individuals to optimise their health by adopting good dietary eating habits based on sound scientific principles.

It is clear from our interaction with the public that many people struggle to consistently consume a basic healthy diet on a daily basis, and as such the use of dietary supplements in both the short to medium term are a de facto critical element in helping people stay the course and achieve better health in the long term.

The vast majority of chronic illness, which represents the lion's share of the economic burden of healthcare to the state, is attributable to diet and lifestyle 'failings' and are therefore preventable. For example, it is estimated that 80% of cardiovascular disease and type 2 diabetes could be avoided if people adopted a healthier diet and reduced the other major risk factors such as smoking, excess alcohol use, and physical inactivity.

The current medical healthcare system is stretched to its limits coping with chronic illness. Hospital corridors nationwide overflow with occupied trolleys, and medical organisations regularly issue dire warnings about the looming epidemics of chronic illness.

Dementia alone, to use but one example, already costs the state nearly 2 Billion Euros annually, and the costs of managing all chronic diseases combined are predicted to soar to near breaking point in the medium term future. Most of this is preventable.

Against this backdrop it is imperative that any Government policy promoting 'upstream' preventative healthcare for the general public be pursued aggressively if we are to lower the volume of people needing critical care for otherwise preventable chronic illnesses.

The state should do everything in its power to support individuals who take an active role in maintaining and even optimising their own health.

My position, in line with that of NTOI is that adding any VAT to food supplements will not only give the wrong signal to the public that these items are a luxury and therefore not important, but the extra cost will actually dissuade people from investing in their own healthcare, resulting, down the road, in a certain net increase in the burden of chronic illness.

Should the proposed VAT be introduced, it is our belief that any money raised by the government will be wiped out by the exponentially larger cost of managing the burden of chronic disease.

To offer just one simple example:

Type 2 diabetes is preventable. Leg ulcers are one of the most common complications, and treating just one single ulcer costs the state €30,000.

Had that person taken an active role in their health they could have prevented the decline into diabetes and the ulcer that came with it, not to mention the plethora of other medical costs that go along with diabetes.

Had the state chosen NOT to apply a punitive VAT to supplements it would stand to lose an average of €800 tax revenue over ten years from that single person - but it would save a whopping €30,000 in ulcer treatment costs - plus any other diabetic related medicine costs - and that's in one single year!

Clearly the long term benefits to the state are in the asymmetrical cost savings compared to the paltry loss of VAT revenue that would be gained.

I urge the state to take seriously the unique collective viewpoint that myself and fellow NTOI members have gained from years of practicing with members of the public and seeing the great results that are possible when people empower themselves.

In the interest of the common good, and of the fiscal well being of the state itself, we ask the government to reconsider its position to introduce VAT on food supplements, or to favour the position of leaving it at the Zero rate.

Thank you

