

VAT CONSULTATION – FOOD SUPPLEMENTS

Irish Osteoporosis Society

Introduction

The Irish Osteoporosis Society Charity (IOS) was founded by Professor Moira O'Brien in 1996 as a patient support organisation for those suffering with Osteoporosis and their families. The Irish Osteoporosis Society is the only organisation in the Republic of Ireland that deals specifically with Osteoporosis.

From the outset, the IOS has been dedicated to reducing the incidence of Osteoporosis, a preventable bone disease in most cases, and promoting bone health. The IOS provides information to the public and health professionals on all aspects of the disease and offers support to people with Osteoporosis and everyone at risk from the disease. The IOS want to significantly decrease the number of senior citizens who are losing their independence from undiagnosed Osteoporosis.

The IOS aims to:

- Significantly decrease the number of people affected by Osteoporosis;
- Increase the awareness of the problem of Osteoporosis in Ireland;
- Provide support, advice and information for people suffering from Osteoporosis;
- Establish a network of local awareness groups;
- Distribute up-to-date information to doctors and healthcare workers on current methods of prevention and treatment; Vitamin D being one of the most crucial area's we focus on.
- Encourage research into this area in Ireland

Clarity about what Food Supplements are

Food supplements have been rated and supplied at Zero VAT from 1973, on the basis that their ingredients are recognised foodstuffs.

VAT is an EU Tax and EU Law allows Ireland to retain the Zero rate of VAT on food supplements because they were zero rated on and since 1st of January 1991. Revenue's intention to apply the standard 23% VAT rate for all food supplements, which will bring thousands of products into the standard VAT category for the first time in over 40 years, has no legislative or policy basis.

Vitamin D

Vitamin D is important for keeping bones strong and healthy and preventing osteoporosis. Osteoporosis places a person at high risk for fracturing (breaking) bones.

Vitamin D helps the body to absorb calcium from food. Without Vitamin D, calcium will not be as easily absorbed by a person's body, which could affect the formation of healthy bones and teeth. Vitamin D also helps to regulate our cell growth and our immune system.

Vitamin D is a fat-soluble vitamin that when consumed can be stored in the blood and body fat. Due to Ireland's northerly latitude, very little UV light is available between October and March, which can result in low levels of Vitamin D. Vitamin D levels usually are not met in our "summer" months, due to lack of sunshine, meaning it is so important for people to get vitamin D from other sources. Many osteoporosis patients take vitamin D supplements to ensure they are getting adequate levels, as very few foods contain Vitamin D.

As far as the Irish Osteoporosis Society understands vitamin D supplements will be subject to any VAT imposition imposed on food supplements. We are gravely concerned about the impact this may have on those with osteoporosis. We believe this could cause an epidemic of low levels of Vitamin D, which in turn will cause an epidemic of fractures.

Currently one hip fracture cost €55,000 in total, there were 3,608 hip fractures in the ROI in 2018, resulting in €198,440,000 being spent on treating fractures. Vitamin D is one of the most essential Vitamins for protecting bone health. Low levels of Vitamin D place a person at risk not only of bone loss but has been linked to multiple other conditions, such as Type 1 diabetes, multiple sclerosis, rheumatoid arthritis, breast, colon, prostate cancer, TB and Osteomalacia in adults.

50% of people aged 60+ who fracture their hip, will lose their independence. 90% of hip fractures are due to Osteoporosis, therefore to tax Vitamin D supplements, which are an integral part of preventing and treating fractures, does not appear to make long term financial sense.

Impact of the proposed imposition of VAT on food supplements for people with Osteoporosis.

Imposing VAT on food supplements would mean an increased VAT charge on non-licensed Vitamin D supplements. We would like 0% VAT maintained on all vitamin D supplements so that they are affordable to all. Many of our members are elderly and take a range of supplements to help maintain their health. The Irish Osteoporosis Society is concerned that the imposition of VAT would have a negative impact on people's health.

We also feel that increasing the VAT rate on food supplements would go against the Government's Healthy Ireland policy which is supposed to improve the health and wellbeing of those in Ireland. The HSE have been promoting the importance of Vitamin D drops for babies, as there is no Vitamin D in breast milk, which the HSE are promoting breast feeding. These health policies need to be supported, as they are so important for the overall health of people living in Ireland.

Recently the Government moved to increase tax on sugar to drive behaviour and improve health outcomes. Moving food supplements from 0% to 23% seems entirely contradictory to this, when there are significant health benefits from Vitamin D supplements.

We run the National Osteoporosis Helpline and we believe vulnerable people will not be able to afford the price hikes caused by the VAT increase. The Irish Osteoporosis Society believe that this proposal needs to be abolished urgently, as the main people we believe it will be detrimental to, is the sick and vulnerable members of society.

Conclusion

The Irish Osteoporosis Society is calling on the Government to abandon the proposal to impose any level of VAT on food supplements for reasons as outlined above. We believe that an additional charge on non-licensed Vitamin D supplements will result in significantly more fractures, resulting with significantly more money needing to be found by the exchequer to pay for the significant increase in fractures.