



Merac User Guide

Government Temporary VAT Reduction



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Document History

Reference	Created By:	Version	Last Updated
N/A	Adam Ayres	01	01.06.2026

Overview

This guide covers the required setup in your Merac back-office software to implement the temporary reduction to VAT on specific admission tickets and meals, as announced by the Government on the 21st May 2026.

Please note that Merac are not tax advisors and therefore cannot supply advice on your compliance with HMRC regulations. If you have any doubts then you should seek independent, qualified advice. In producing this advice, we are relying on information from the UK Government provided in this communication from the Government:

<https://www.gov.uk/government/publications/revenue-and-customs-brief-5-2026-temporary-reduced-rate-of-vat-for-childrens-meals-tickets-and-family-attractions/temporary-reduced-rate-of-vat-for-childrens-meals-tickets-and-family-attractions>

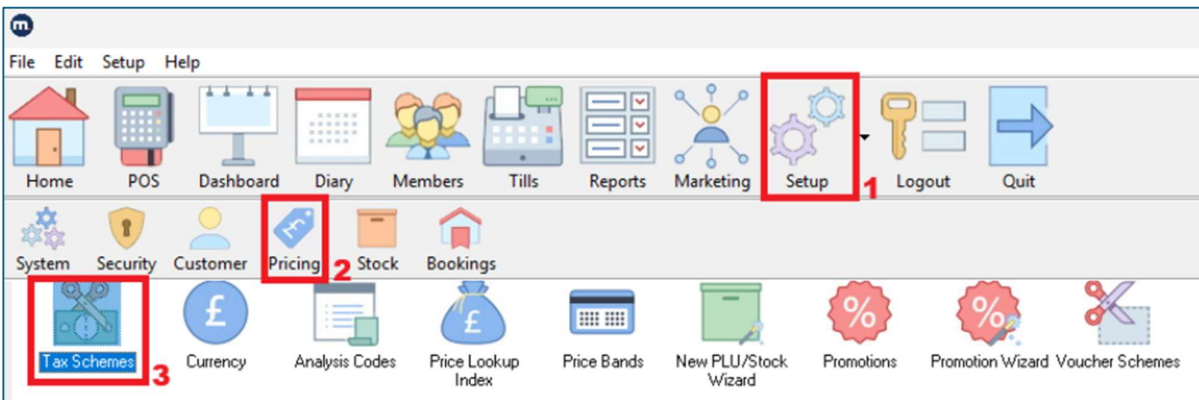
The following pages of this guide cover how to implement this temporary VAT rate change in your Merac back-office software. However, if for any reason you are unable to implement the required changes yourselves, then please log a support ticket with the Merac Support team by emailing support@merac.co.uk, calling us on 01392 241 730 or by logging a ticket via our Support Portal.

Creating a New Tax Code

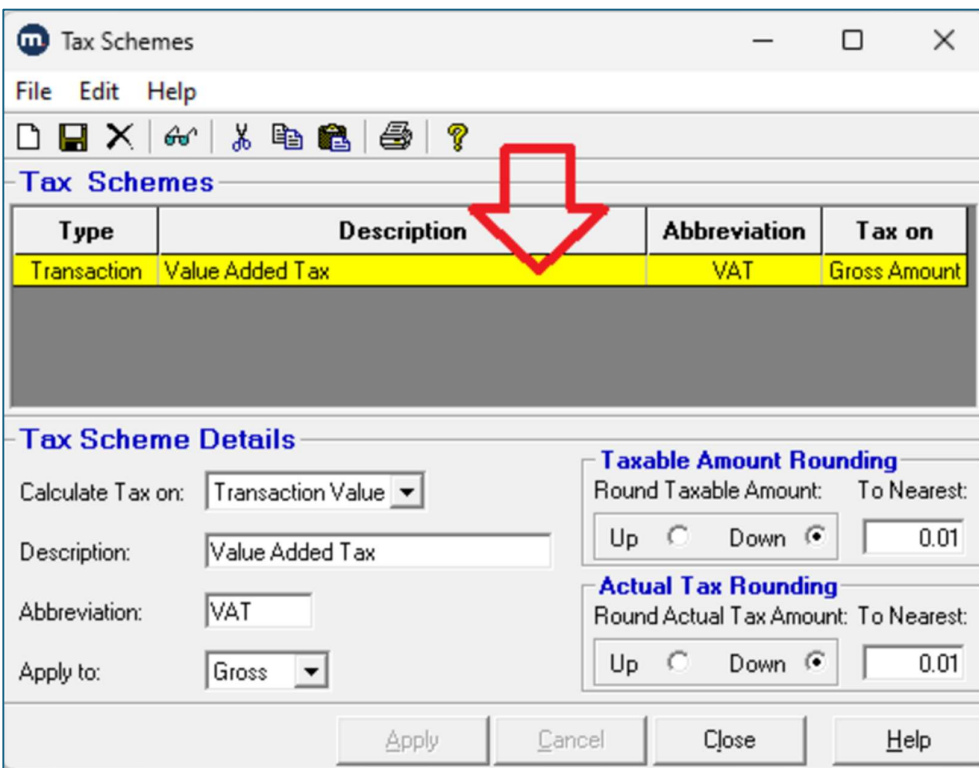
The first requirement is to set up a new 'Tax Code'.

This is done in the Merac back-office software by clicking:

1. Setup > 2. Pricing then **3. double click on 'Tax Schemes'**.

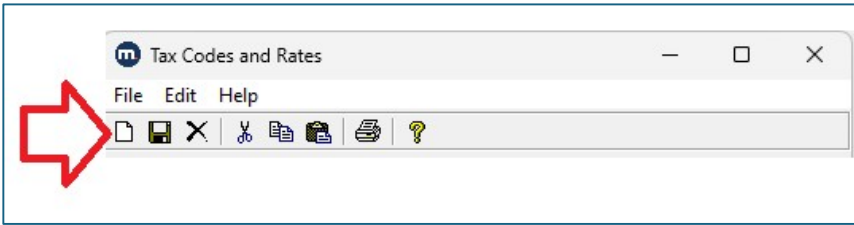


At the next screen that appears, double-click on the text 'Value Added Tax'.

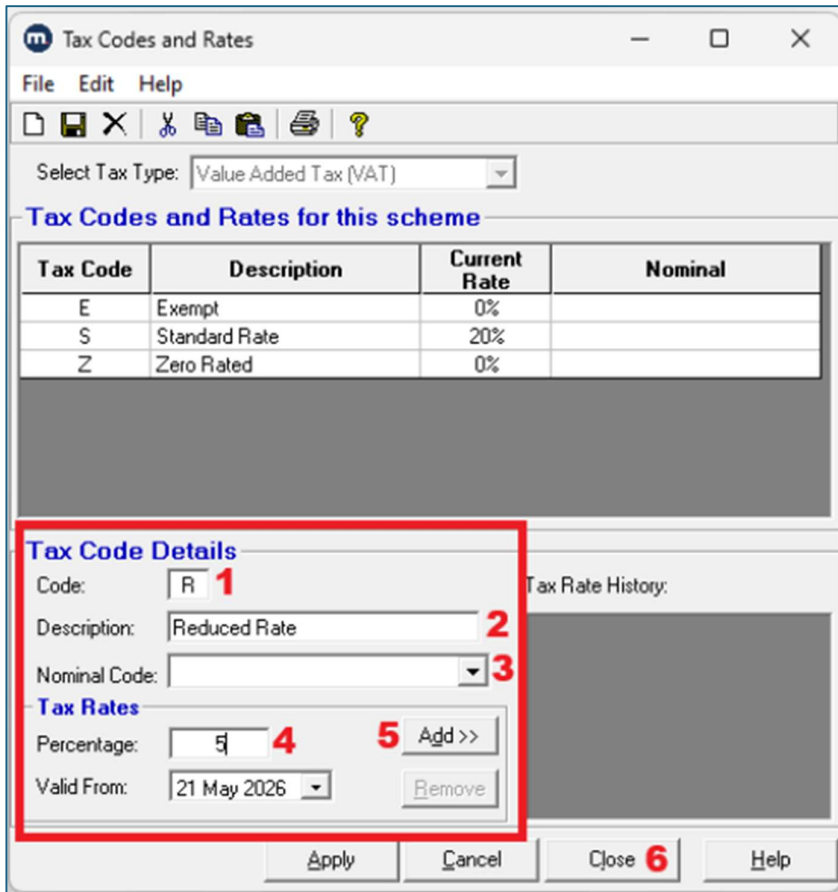


Next you will need to add a new 'Tax Code'.

On the next screen click the 'New' button to add a new 'Tax Code'.



You now need to enter the data for this new 'Tax Code'. The required data is detailed below.



1. Enter a single letter for the new tax 'Code'. In the above example 'R' was used, but if you have already have a Tax Code using the letter 'R', then pick a letter that has not been used.
2. Enter the required 'Description' for the new tax code as required (e.g. 'Reduced VAT').
3. 'Nominal Code'. Only select this if you have set up and use 'Nominal Codes' and map them to individual Tax Codes. Ask your finance team if this is required, if not skip this step.
4. Enter the 'Percentage' as a number for this tax code (i.e., 5).

IMPORTANT NOTE:

DO NOT change the 'Valid From' date! Leave the 'Valid From' today's date. N.B. changing this to a future date will mean you cannot select this VAT code in the following steps!

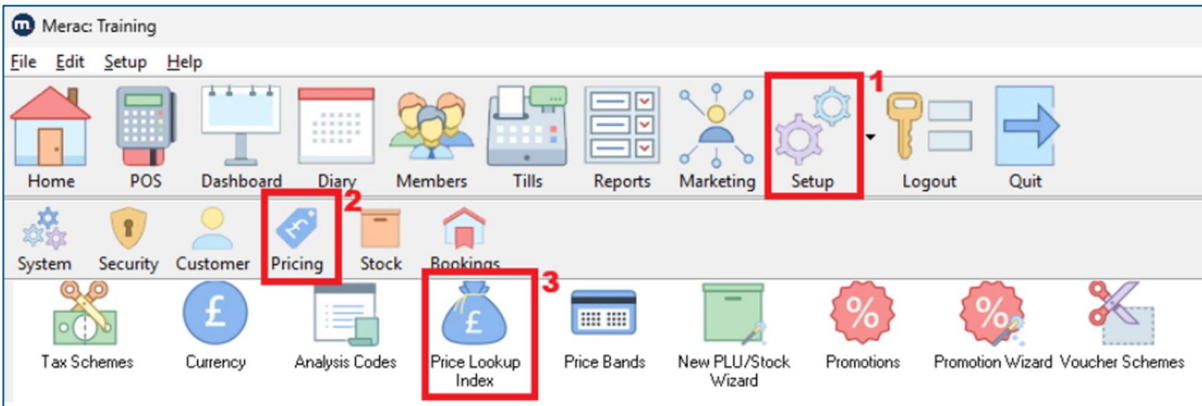
5. Click 'Add'.
6. Next click the 'Close' button at the bottom of the screen.

Creating New Prices

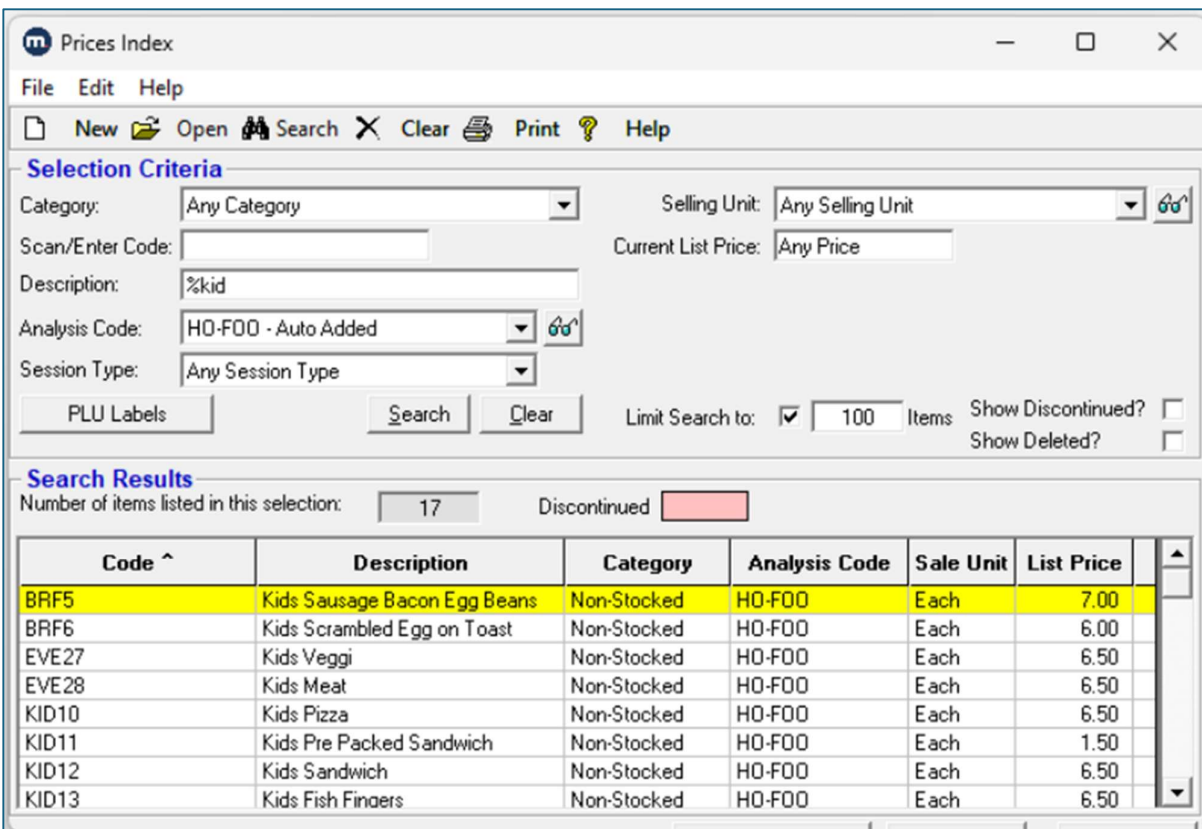
Now you need to create a new price record for all the items this VAT rate change applies to.

To do this you now need to click on: **1. 'Setup'**, then **2. 'Pricing'**.

Next **3.** double-click on **'Price Lookup Index'**.



Use the search screen to find the first item (referred to as a PLU) this applies to.



Then double click on the required PLU in the above screen, to open the data for this PLU.

In the below 'PLU Maintenance' screen, next click '**View/Add Price**'.

The screenshot shows the 'PLU Maintenance' window with the following details:

- Codes:** Sales Code: BRF5, Selling Unit: Each, Plu Id: 1641. A table lists codes with columns for Codes, Units, Colour/Flav etc, and Stk.
- User Defined Values:** Till Info Group: None.
- Internet:** Sell item on the Internet? (checkbox), Product Images, Sales Groups.
- PLU Details:** Category: Non-Stocked Item, Short Description: Kids Sausage Bacon Egg Beans, Long Description: Kids Sausage Bacon Egg Beans, Override Price: Allow Price Override, Analysis Code: Hospitality Food Items, Kitchen/Bar Order? (checkbox), Include Order Options? (checkbox), Enter Weight? (checkbox), Claim Gift Aid? (checkbox), Age Restriction? (checkbox).
- Current Pricing:** Current List Price: 7.00, VAT: Z - Zero Rated, Valid From: 01 Jan 2010, Valid To: 31 Dec 2050.
- Buttons:** 'View/Add Price' is highlighted with a red box and a red arrow.

First you need to ensure the current price is set to end on the required date (e.g. 24/06/2026).

1. Select the required "end" date using the '**Valid To:**' date selection dropdown.
2. Click '**Apply**' to save this change.

The screenshot shows the 'Price History' window with the following details:

- Item Code:** BRF5, **Short Description:** Kids Sausage Bacon Egg Beans, **Outlet:** All Outlets.
- Pricing Details:**
 - Inhouse Prices:** Including Tax: 7.00, Excluding Tax: 5.83.
 - Internet Prices:** Including Tax: 7.00, Excluding Tax: 5.83.
- Valid From:** 01 Jan 2010, **Valid To:** 24 Jun 2026 (highlighted with a red box and a red arrow).
- VAT:** S - Standard Rate, **Take-away Tax Code:** N/A.
- Pricing History Table:**

Valid From	Valid To	Price (Inc. Tax)	Int Price (Inc. Tax)	VAT
1 Jan 2010 00:00	31 Dec 2050 00:00	7.00	7.00	S
- Buttons:** 'Apply' is highlighted with a red box and a red arrow.

Next click the 'New' button to add a price record, to define when the VAT rate will change.

The screenshot shows the 'Price History' window for item 'BRF5' (Kids Sausage Bacon Egg Beans). The 'Pricing Details' section is expanded, showing 'Inhouse Prices' and 'Internet Prices'. The 'Valid From' date is 01 Jan 2010, 'Valid To' is 24 Jun 2026, and 'VAT' is set to 'S - Standard Rate'. The 'Pricing History' table shows a single record with a price of 7.00 and VAT of 5.83. The 'New' button in the top-left toolbar is highlighted with a red circle.

Enter the new price record information **1.** as detailed below:

- Enter the price in the 'In House' and (if applicable) 'Internet Prices' fields as required.
- Please note in this scenario the price is reduced from £7 to £6.15, so the price reflects the reduction in VAT. But your organisation will need to decide on any price changes given.
- Change the 'Valid From' date to when you want the tax rate change to start (e.g. 25 June 2026).
- Change the 'Valid To' date to when you want the tax rate change to end (e.g. 01 September 2026).
- In 'VAT' ensure you select the new temporary 'R' vat rate you created, using the dropdown.

The screenshot shows the 'Price History' window with the 'Pricing Details' section updated. The 'Inhouse Prices' and 'Internet Prices' fields now show a price of 6.15 and an excluding tax of 5.86. The 'Valid From' date is changed to 25 Jun 2026, and the 'Valid To' date is changed to 01 Sep 2026. The 'VAT' dropdown is now set to 'R - Reduced Rate'. The 'Pricing History' table shows the existing record with a price of 7.00 and VAT of 5.83. The 'Apply' button at the bottom right is highlighted with a red circle and labeled '2'.

- Click 'Apply' to save these changes.

Please note, you will also need to repeat the process to create another new price record, to revert the VAT rate and price back to the standard rate when the temporary VAT rate reduction period is over. This is done the same process as detailed above but making sure you set the 'Inhouse Prices', 'Internet Prices', 'Valid From', 'Valid To:' dates and 'VAT' rate fields have been set as required.

As before, click '**Apply**' to save these changes.

Now check the price records amendments / additions you made are all correct by clicking on each one in the 'Prices History' window. Then check the data in the left-hand side of this screen (the 'Pricing Details' section) is all correct. If you make any changes, remember to click the 'Apply' button to save the changes.

The screenshot below shows an example of how this may look once everything has been set up. The yellow highlighted record is the one that shows the price / VAT rate change period.

The screenshot shows the 'Price History' window for item BRF5 (Kids Sausage Bacon Egg Beans). The 'Pricing Details' section on the left shows 'Inhouse Prices' with a price of 6.15 (including tax) and 5.86 (excluding tax), and 'Internet Prices' with a price of 6.15 (including tax) and 5.86 (excluding tax). The 'Valid From' is 25 Jun 2026 and 'Valid To' is 01 Sep 2026, with a VAT rate of 'R - Reduced Rate'. The 'Pricing History' table on the right shows three records:

Valid From	Valid To	Price (Inc. Tax)	Int Price (Inc. Tax)	VAT
2 Sep 2026 00:00	31 Dec 2030 00:00	7.00	7.00	S
25 Jun 2026 00:00	1 Sep 2026 00:00	6.15	6.15	R
1 Jan 2010 00:00	24 Jun 2026 00:00	7.00	7.00	S

You can then click '**Close**' twice to return to the 'Prices Index' (PLU search screen).

Then search for and repeat the process to add the new price records for all affected PLUs.

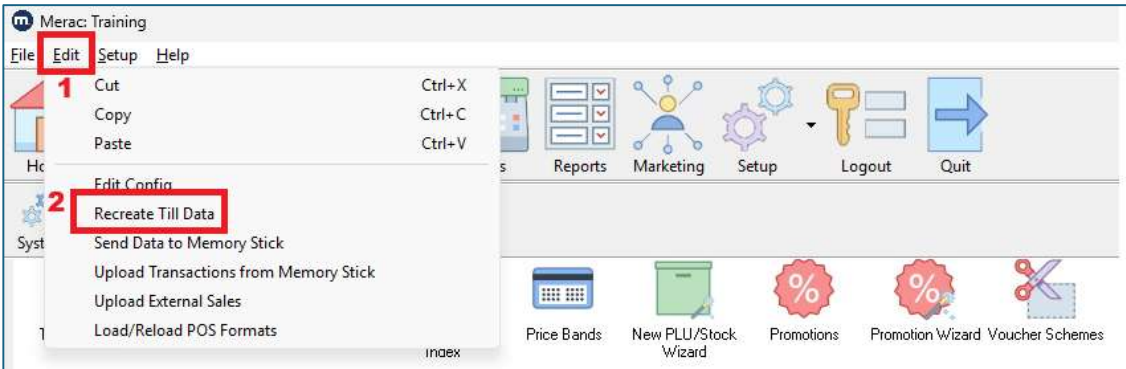
Please note exactly the same mechanism is used to add the new price record for admission tickets affected by this Government temporary VAT rate change.

Important Note:

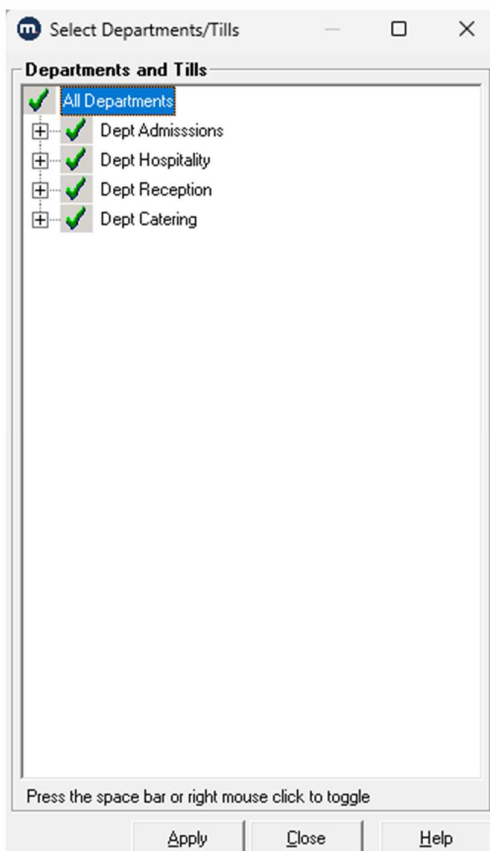
For bookings there is one caveat. If someone books for a date where the reduced VAT rate applies, but that customer does not come in on that date where the reduced (5%) VAT rate applies, if the till operator allows them in on that date, then those PLU's will be redeemed at the **VAT rate applicable at the date when the customer visits.**

Updating Merac Tills and E-Commerce Pages

Once all the changes are completed and checked, to implement these changes you need to update your tills. This is done in the usual way clicking **1. Edit** then **2. Recreate Till Data**.



The changes should be sent to all tills.

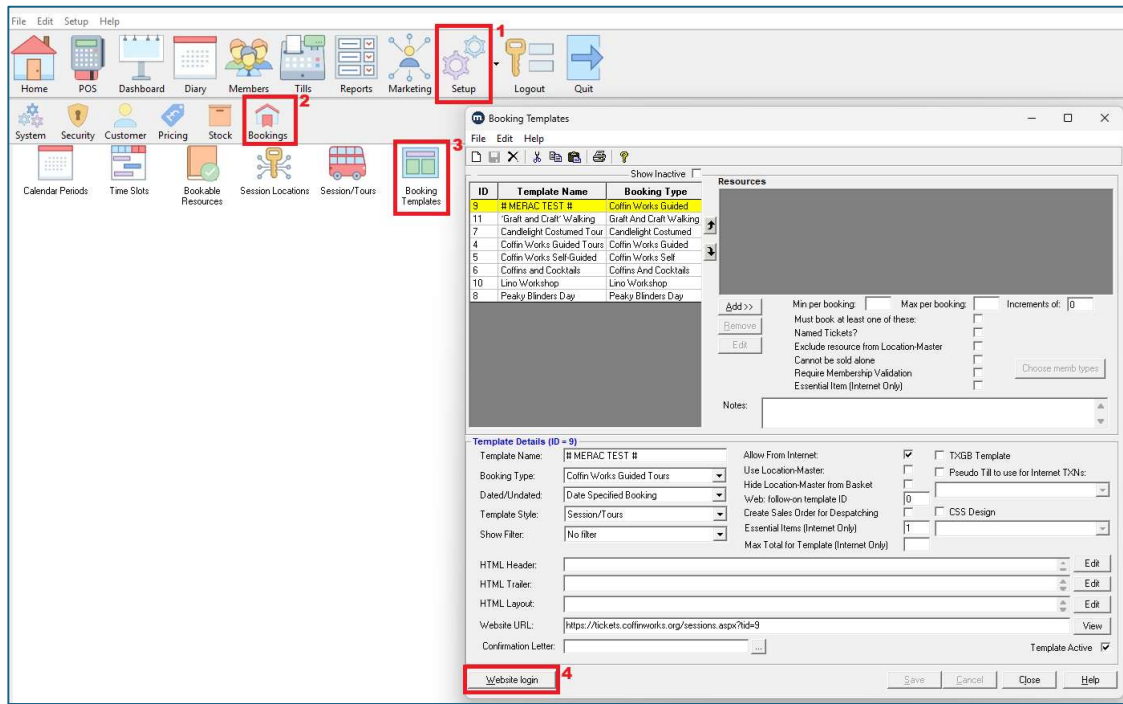


Click **'Apply'** to send the updates.

Once this completes Click **'OK'** at the 'Till Data Recreated Successfully!' message pop up.

For any customers that have our Merac e-commerce (online ticketing) pages that sell tickets affected by these changes, then you will also need to update your Merac e-commerce pages.

Do this by clicking **1. 'Setup'** > **2. 'Bookings'**, then **3. double click 'Booking Templates'**.



Click **4. The 'Website Login'** button.

At the next page enter the credentials you have been supplied and click the **'Login'** button.

This will open your online **'Admin Menu'** page.

Click the **'Update Templates'** button and wait for the update process to finish.

This ensures the VAT / price changes you set up are implemented on your e-commerce pages.