Example: You sell the caravan for £30,000 including VAT. The VAT must be the same proportion of the sale price as it was of the cost (see also paragraph 8.6 below).

The VAT due is:

\[
\text{Sale price} \times \frac{\text{VAT on purchase}}{\text{total cost}}
\]

\[
\frac{£30,000 \times £150.00}{£20,150.00} = £223.32
\]