



**UPPER TRIBUNAL
TAX AND CHANCERY CHAMBER**

Appellant: LONDON CLUBS MANAGEMENT LIMITED	Tribunal Ref: FTC/25/2009
Respondents: The Commissioners for Her Majesty's Revenue and Customs	

APPLICATION FOR PERMISSION TO APPEAL

DECISION NOTICE

1. This is an application by the Commissioners for Her Majesty's Revenue and Customs ("HMRC") for permission to appeal to the Court of Appeal in England and Wales.
2. The application is made under rule 44 of the Tribunal Procedure (Upper Tribunal) Rules 2008 and was made within the time limit prescribed by rule 44(4). I have read the application for permission to appeal and it is not possible to say that there is no real prospect of success.
3. The proper interpretation and application of the partial exemption Special Method of attribution of residual input tax can be said to raise points of general interest and importance beyond the particular circumstances of the present case. The impact of the entirety of the economic circumstances, including turnover, on what is a fair and reasonable attribution of residual input tax will affect HMRC's approach in other cases. In these circumstances it is right that there should be a determinative decision on the issue by a higher appellate court.
4. There is therefore a compelling reason for the relevant appellate court to hear the appeal within the meaning of Article 2 of The Appeals from the Upper Tribunal to the Court of Appeal Order 2008.

5. Accordingly I grant permission to appeal.

Signed:

MRS JUSTICE PROUDMAN

Date: November 2010

Issued to the parties on: 12 November 2010