

VAT Alert

Recent amendments to the Value Added Tax Act 2015 Issue 1, 2015

The following amendments have been made to the Value Added Tax Act. These amendments are effective from **23 January 2015**.

- 1) Annual threshold for VAT registration increased from P 500, 000 to P 1, 000, 000.
 - Voluntary registration will only be allowed if the expected turnover is more than P 500, 000.
 - BURS will engage with persons registered for VAT for deregistration if the annual turnover is less than P 1, 000, 000.
 - BURS might also have provisional registration in order to ascertain if the turnover exceeds their threshold.
 - BURS will soon expect additional information regarding project costs and plans when applying for registration with VAT.
 - There will be amendments made to the Vocational Training Levy with regard to their threshold.
- 2) The First Schedule of the VAT Act (Zero rated supplies) has been amended to include items such as fresh vegetables (in natural state), fruits, rice, milk (not concentrated, condensed, evaporated, sweetened, flavoured or cultured), samp, bread flour and brown bread.
- 3) Supply of tractors has been reclassified from a zero rated supply to an exempt supply.

Disclaimer

This alert is published as a service to our clients and other interested parties. It is intended to provide practical and technical information, which is of use to you in your business. Please be advised that the information contained herein is for general guidance only. Any reader intending to base a decision on information contained in this publication is advised to consult a Grant Thornton partner before proceeding.



As the amendments are already effective, BURS would expect anyone affected by the stated change to take appropriate steps with immediate effect.



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