

SAINT CHRISTOPHER AND NEVIS

STATUTORY RULES AND ORDERS

No. 10 of 2013

RESOLUTION

Resolution of the National Assembly of Saint Christopher and Nevis to approve Statutory Rules and Orders No. 8 of 2013 made by the Minister under section 26.(2) of the Value Added Tax Act, No. 3 of 2010 in respect of a Special VAT reduction on the 14th and 20th December, 2012.

[Published 11th April 2013, Official Gazette No. 20 of 2013]

WHEREAS it is provided by section 26.(2) of the Value Added Tax Act that the Minister may calculate the rates of tax at such other rate as the Minister may, by Order, specify and that such order shall be subject to the Affirmative Resolution of the National Assembly:

AND WHEREAS the Ministry of Finance considered it expedient to introduce a measure to create a fiscal stimulus:

NOW BE IT RESOLVED THEREFORE that the National Assembly of Saint Christopher and Nevis hereby affirms the Order of the Minister of Finance to reduce the rate of VAT on Friday 14th and Thursday 20th December 2012 to a rate of 5%.

Approved by the National Assembly this 9th day of April 2013.

JOSÉ LLOYD

Clerk of the National Assembly

SAINT CHRISTOPHER AND NEVIS

STATUTORY RULES AND ORDERS

No. 8 of 2013

Value Added Tax (Special VAT Reduction) Order, 2013

In exercise of the powers conferred on him by section 26.(2) of the Value Added Tax Act, No. 3 of 2010, the Minister responsible for Finance makes the following Order:

[Published 4th April 2013. Official Gazette No. 19 of 2013]

1. CITATION.

This Order may be cited as the Value Added Tax (Special VAT Reduction) Order, 2013.

2. INTERPRETATION.

In this Order, "Act" means the Value Added Tax Act, No. 3 of 2010.

3. VAT REDUCTION DAY.

On Friday 14th and Thursday the 20th day of December, 2012, the VAT rate shall be reduced to a rate of 5% on all sales of vatiable goods commencing from Friday 14th and Thursday 20th December to 11:59 p.m. of those days.

4. ELIGIBILITY FOR VAT REDUCTION DAY.

(1) In order to qualify for the special VAT reduction, all eligible VAT registered business shall indicate in writing to the VAT Office, their intention of participating in the VAT Reduction Day on or before 2.00 pm on December, 13th and 2.00 pm on December, 19th, 2012.

(2) Once the VAT office receives the letter of intention from the registered VAT business then acknowledgement of receipt of the letter shall be communicated to the taxpayer one day after the letter is received.

(3) The sale or supply of services shall not be eligible for the special rate of VAT reduction.

5. INELIGIBILITY OR DISQUALIFICATION.

(1) A VAT registered business that has not filed all of its VAT tax returns or settled all of its outstanding VAT tax liability as at 13th December 2012, with the VAT office, shall not be eligible to sell goods at the special rate of 5%.

(2) The provisions of subsection (1) of this section shall also be applicable to a VAT registered business that has submitted objections but has not satisfied those objections as it relates to submitting 50% of the tax in dispute.

(3) If a business is subsequently discovered to have had a VAT liability with the office subsequent to the communication of acknowledgement referred to in section 4 of this Order, that business will be denied eligibility for the reduction and any sale on that day would be deemed to be VAT inclusive at the standard rate of 17%.

6. REPORTING.

Supplies at the special 5% VAT Rate by eligible VAT registered businesses should be reported by those businesses on line 135 of the VAT Return for the December 2012 tax period.

7. SPECIAL EXCHANGE RULES.

The special VAT rate shall only be applicable to the day in question and shall not extend to any subsequent exchange of goods or credits for goods bought on that day.

8. COMMENCEMENT OF ORDER.

This Order shall be deemed to have come into force on the 13th day of December, 2012.

Made the 4th day of April 2013.

DR. DENZIL L DOUGLAS
Minister responsible for Finance