



# Ministry Of Finance

## VAT Department

### VAT Rule 2015-005

### DEFERAL OF IMPORT VAT



**VAT RULE 2015-005**  
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**A. Authority**

This Rule is made under section 17 of the Value Added Act, 2014.

**B. Legislation**

All legislative references are to the Value Added Tax Act, 2014 and/or the Value Added Tax Regulations 2014, unless otherwise stated.

**C. Section to which this Rule applies:**

This Rule applies to Section 44 (4) of the Act, with respect to deferment of VAT payable on the importation of goods.

**D. Application of Rule:**

The Rule sets out the following:

- Who can make an application for the deferment of VAT on the importation of goods;
- The conditions to be met;
- When should the person account for the deferred VAT; and
- Security and bonds requirements

**Persons eligible for deferment**

The deferment scheme will be available to persons who import goods under the following incentives:

- The Hotels Encouragement Act
- The Industries Encouragement Act



- Approved goods for authorized sellers of tax free or tax discounted Tourist
- Approved Resellers of Automobiles
- Port Licensee – Hawksbill Creek Grand Bahama Act (Ch. 261)

#### E. Comptroller's Rule

##### The Arrangement to which this Rule applies

1. For the purposes of this Rule, persons who are approved to operate under the deferment scheme are referred to as Approved Registrants.
2. At the time of making an application, the person must be a VAT registrant and compliant with all the requirements of the VAT Act and Regulations, Business Licence Act, and Customs Management Act and Regulations.
3. An approved registrant will be allowed to *defer* the payment of VAT on the importation of goods under the deferment scheme.
4. An approved registrant will not pay VAT to Comptroller of Customs at the time of importation on the approved list of goods.
5. The approved registrant should account for the *deferred* amount on the VAT return, for the tax period in which the goods were imported.
6. The deferred VAT should be reported on the VAT return as a deferred tax liability that is payable.
7. The approved registrant will be allowed to claim an input tax credit for the deferred liability, or less, in accordance with section 50 and Part 5 of the VAT Regulations.
8. The VAT return should be filed by the due date for that tax period, and if there is a payment to be made as per the return, it must be paid on time.
9. Unless separate application is made and approved payment of deferred VAT payable should not exceed six months after the importation of such goods.



- 10.** The VAT Comptroller can revoke VAT deferral privileges of a registrant if it is determined that the approved registrant is not compliant with all aspects of the VAT Act, Regulations and this Rule.
- 11.** The approved registrant must deposit with the Comptroller of Customs security in such form and amount and upon such terms as the Comptroller may determine, under VAT Rule 2015-006 – Requirement for Security.

**F. The period for which this Rule applies**

This Rule shall apply for the period beginning on January 1, 2015 until it is withdrawn or replaced.

