



MINISTRY OF FINANCE  
THE DEPARTMENT OF INLAND REVENUE

# VAT GUIDANCE

## ON COMPLETING THE VAT GROUP REGISTRATION FORM

Form 7c (0)



COMMONWEALTH OF THE BAHAMAS  
VALUE ADDED TAX DEPARTMENT

APPLICATION FOR THE FORMATION OF A VAT GROUP

**A. GROUP INFORMATION**

1. Enter a name for the group

2. Name of the authorized person for the group

Authorized person


## Purpose

This guide is intended to provide step-by-step instructions on completing each field of the VAT Group Registration Form (Form 7c (i)). When completing the form you may refer to the VAT Registration Guide as well as the VAT Rule 2015-004 – VAT Group, for further information. **If there is a discrepancy within the Guidance Note, the law will prevail in accordance with the VAT Act, Regulations and/or Rules.**

### 1. INSTRUCTIONS

All fields indicated on the form must be completed.

#### *Q1 - Enter a name for the group*

You can choose any name for the group. The name does not have to be a registered business name.

#### *Q2 - Name of the authorized person for the group*

The authorized person is the main contact person for the group. The authorized person does not have to be associated with the group leader.

#### *Q3 - Position/Title of authorized person*

Indicate the title or position of the authorized person.

#### *Q4 – Requested start date of group*

- Indicate the date from which you wish to operate as a VAT Group. The following should be considered:
  - The start date for the group must correspond with the first day of a tax period for all members.
  - The start date must be a minimum of two calendar months in the future.

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**Disclaimer: VAT Guidance Notes do not supersede the VAT Act, VAT Regulations, or VAT Rules**

### **Q5-9 – Representative Entity Information**

Enter the relevant information of the proposed group leader.

The group leader is responsible for filing and paying on behalf of all members. The leader does not have to be the largest member, nor the controlling member.

The group leader must also agree to take on any existing tax arrears of all group members before a group can be formed. Tax arrears may include but are not limited to, arrears related to VAT, Business License fees, property taxes and hotel taxes.

### **Q10-14 – Other Members' Information**


Enter the relevant information for proposed members, besides the group leader.

Consider the following:

- All members must be companies
- Members must all be already registered for VAT.
- At least one of the members or the group leader must be a mandatory VAT registrant.
- All members, including the leader, must all be resident or all non-resident in The Bahamas.
- All members, including the leader, must all be Freeport Licensees or none must be. If any member is a Grand Bahama Port Authority Licensee, that member must agree to forego any VAT benefits currently received under the Hawksbill Agreement and be registered separately before applying to be a member of the Group.
- Include the signature of the authorized officer and the date in Fields 12 and 13 respectively.
- Box 14 must be checked as evidence that all members listed has agreed to be a part of the VAT Group.

### **Q15 – 20 – Information on Integration of Group members**

In keeping with Item 3, *Requirements for entities within a VAT Group* outlined in VAT Rule 2015-004,



Check yes or no for questions 15 and 17 to 20.

**Q16 – Indicate the percentage of intra-group taxable sales at fair market value, relative total sales of the group.**

If the members trade among themselves, give an indication of the approximate percentage of the value of these sales among in relation to the total value of all sales made collectively.

Calculate this figure as follows:

- Consider the preceding twelve-month period for your calculations, or, if any of the members is new, since the business start.
- Sum up the individual sales figures of each member (Total Y)
- Sum up the individual member-to-member sales, using the fair market value if different from the actual value (Total X)
- Divide X by Y as a percentage

***Q21– Check any support departments that are shared by all group members***

Check all applicable, if appropriate. Indicate only those services that are shared by all members.



## Contact Us

Further information can be obtained from the Taxpayers Services help desk: 1 (242) 225 7280.

Or you can contact us by email: [taxinquiries@bahamas.gov.bs](mailto:taxinquiries@bahamas.gov.bs)

### Or you can write to:

Department of Inland Revenue  
Central Revenue Administration  
Value Added Tax Unit  
P. O. Box N-13  
Nassau, N.P.  
Bahamas  
<http://inlandrevenue.finance.gov.bs/value-added-tax>