



PRESS RELEASE

The Ministry of Finance's VAT Zero Rating on Medication becomes Effective in Less than One Week

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Consumers will begin to experience tax relief on medication in just a matter of days.

Deputy Prime Minister and Minister of Finance, The Hon. K. Peter Turnquest announced in an official statement on July 24, 2018 that consumers stand to benefit from the Government's policy on VAT- Free medication which will come into effect August 01, 2018. All prescription and most over-the-counter medication will now be VAT-Free.

However, the Minister advised that the standard VAT rate of 12 per cent will continue to be applied on vitamins and supplements, first aid kits and medical devices.

"The Ministry of Finance has been in consultation with business operators who will be impacted by the VAT zero rating and have distributed guidance notes to provide support during implementation activities. I feel confident that the transition will be smooth."

The Minister directed the public to Ministry of Finance's Facebook Page and the Department of Inland Revenue's website for a detailed list of medication that are VAT zero rated and for future updates.

A quick reference list of VAT-Free Medication is captured below:



MINISTRY OF FINANCE

VAT-FREE MEDICATION

Effective August 1, 2018

The VAT-Free classification of medication is based on the zero-rated tariff list in the VAT Amendment Act, 2018. For consumers, there may be limited exceptions to this list where a specific item is classified under a tariff heading that is not zero-rated.

If in doubt ask your pharmacist.

Anti-Bacterial

Anti-Chaffing

Anti-Fungal

Anti-Itch

Anti-Nausea

Aspirin

Eye, Ear & Nose Medication

Cough, Cold & Allergy

Fluid Replacements

Heartburn & Indigestion

Hemorrhoid Medication

Pain & Anti Inflammatory

Pain & Fever

Peroxide

Rubbing Alcohol

Soaking Salts

Stool Softener & Laxatives

Includes All Prescription Medication

DOES NOT INCLUDE

*Vitamins & Supplements, First Aid Kits
and Medical Devices*



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