

GST 303

GUIDE

TO PREPARING

YOUR

GST RETURN



Please use this Guide each time you complete your GST Return

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Introduction

This Guide is to assist you in preparing your GST Return. Please follow the instructions given to avoid mistakes. If you have any queries that are not mentioned in this Guide, kindly contact your local GST Office, and we will be most willing to assist you. A sample of a GST Return is enclosed as a reference to completing your return.

Please note that this guide is not a substitute for the GST Act and its Regulations and, in the case of an inadvertent conflict, the Act and its Regulations will prevail.

Remember to follow closely the instructions given and note that you may be charged Penalty and Interest for late filing and late payment of GST due.

The Department of General Sales Tax Office is located at:

The Government Administration Building
Mahogany Street
Belize City

Telephone numbers: 501-222-5574/5579

Fax number: 501-222-5513

Email address: salestaxoffice@stx.gov.bz

Website: gst@gov.bz

Who is required to file a GST return and make GST payments?

The law states that a registered person must account for and pay tax for each period or part thereof during which the person is registered. A GST return and payment is due within 15 days after the end of the tax period to which it relates. The law considers a registered person to be a taxable person.

To understand the relevant sections of the GST ACT, you need to be familiar with the following terms:

Taxable Person: “is a person who is registered”. This includes any individual or company who meets the annual GST threshold of \$75,000 BZ or on average, \$6,200 BZ per month, any individual or company whose request for voluntary registration has been accepted by the Commissioner, and any person who is required by the GST act to register irrespective of whether the person exceeds the annual GST threshold (e.g. promoters of public entertainment and licensees and proprietors of public entertainment or similar body, and certain professional services).

Tax Period: refers to a calendar month (includes all sales and purchases that have taken place between the first of the month and the last day of the month).

Due Date: refers to when the actual GST return and payment for a given tax period is “due”. For example, the GST return for the tax period of July is “due” by August 15; July 1 to July 31 is the tax period -- August 15 is the “due date”.

PART II

Assembling data to complete the GST return

Preparation of the monthly GST return should be easy if you have maintained the appropriate GST records and accounts during the month.

Overview

The GST records simply consists of the tax invoices for each purchase and tax invoices/sales receipt for each sale you made during the tax period (from the first day of the calendar month to the last day of the calendar month). Information from the invoices and sales receipts are recorded in the GST purchase and GST sales journals. After the end of the month, the totals for the month are inserted into the relevant lines of the GST return.

More specific information

As you purchase goods and services locally, your supplier will provide you a tax invoice – the information from each tax invoice should be recorded in your “purchase journal”. The value and amount of GST you pay on imports will be shown in your import/export declaration that was prepared when the goods were imported into the country. The value or base used for calculating the amount of GST, the amount of GST paid, and total should also be recorded in your GST purchase journal. The GST purchase journal is used to record all types of purchases - whether the goods are imported into Belize or whether they are purchased locally.

As you sell goods and services, information from the tax invoices and sales receipts you provide your customers should be recorded in your “GST sales book”.

The GST purchase and sales journals should be kept up-to-date during the calendar month. When the calendar month comes to an end, the purchase and sales journals will contain the necessary information you need to complete the monthly GST return.

PART 111

1. DO'S AND DONT'S

Please Do:

- Fill in all the boxes. Write one amount in each box or write the word “**NIL**” where appropriate
- Correct any mistakes by crossing the figures out; then write in the correct figure and your initials.
- Cross all cheques and Postal Money Orders and make them payable to the “Government of Belize”.
- Send in your GST Return with all payments due to be received, no later than the 15th day following the accounting period. Your GST Return should be submitted, **preferably mailed**, to the Department of General Sales Tax (GST) Belize City or District Branch Offices where your business is located. If there is no District Branch Office where you operate, then your Return can be submitted to the district Sub-Treasury or file online with the Atlantic Bank of Belize.
- Complete all sections of your GST Return including the perforated section. This perforated section will be returned to you as evidence of filing.

Please Don't

- Alter the details already printed on the Return. If you have any query, write a letter to your local GST office.
- Write in any boxes or areas labeled “For GST Use Only”.
- Write anything else on the Return.
- Send notes, coins or uncrossed cheques or posted money orders with your Return through the mail.
- Deliver uncrossed cheques or postal money orders when submitting your Return to the cashier with payment.

A specimen of the GST Return (Form GST 200) is shown at Appendix III.

PART IV

BEFORE YOU START COMPLETING YOUR RETURN

Please Note the following:

Nil Return

If you have not traded in the period and have no GST on purchases (inputs) to recover or GST on sales (outputs) to declare, you must complete all boxes on the return as “NIL”. You should then send the Return to the Department of GST by the due date in the normal way.

Errors on Earlier Returns

If you have discovered that you made an error on a previous Return submitted, it should be dealt with in the following manner:

- (a) If the adjusted tax resulting from any errors in previous periods is \$50.00 or less, you can correct such an error on your current return by using Line **150** Line **240**.
- (b) If the amount is payable to the Department of GST, the amount must be included in Line **320**. If the amount is payable to you, the amount should be included in Line **410**.
- (c) If the net amount is more than \$50.00, do not include the amount on your return. Inform your local GST office in writing. An assessment will be issued after examination to correct the period in which the error occurred; the assessment will attract interest, and penalty may be levied. GST ACT Section 58(1)
- (d) If the net amount of all errors is an amount payable to the Department of GST you should send the *full payment* with your disclosure.

PART V

COMPLETING YOUR RETURN (GST Form 200)

HOW DO YOU OBTAIN THE GST RETURN?

The GST return form can be picked up from the General Sales Tax office in Belize City or any of the District Branch Offices in Corozal, San Ignacio or Dangriga, or at any of the Sub Treasuries in the other districts and San Pedro Town. The form is also available on the Internet at the Department of Sales Tax website gst@gov.bz in down-loadable format.

Section A – Basic Data

In this section of the form you are required to enter the following:

- Your assigned Tax Identification Number (TIN),
- Your name and the name of the business,
- Your business address, phone and fax number,
- Fill in the Tax Period indicating the month and year for which the Return is being filed,
- Indicate the Due Date of the Return.

Computation of Output (Lines 100 to 160)

- | | | |
|------------|---|---|
| 100 | Standard Rated Supplies | Enter the total value of goods and services excluding GST that you charged your customers on this line. |
| 110 | Zero-rated Supplies | Enter the total amount of supplies (sales) subject to the zero-rate made by you during the taxable period. Remember, if you made exports you should retain the documentation from the Customs and Excise Department certifying that the goods were exported. A list of the goods subject to the zero-rate is shown in Appendix I of this guide. |
| 120 | Exempt Supplies | Enter the total amount of supplies (sales) that are exempt from GST in this period. A listing of goods that are exempt from GST is shown in Appendix II of this guide. |
| 130 | Total Supplies (Sales) | Add the figures entered on lines 100 to 120 and enter the total on this line 130. |
| 140 | GST Payable on Standard Rated Supplies | Enter the GST collected during the period on this line. It should be the result of line 100 multiply by 10% (the rate). |

- 150 GST Adjustments** If you have issued a debit note to a registered taxpayer to collect additional GST, or have been issued a credit note from a registered taxpayer to repay GST overpaid, enter the amounts of the GST only from the debit note(s) and credit note(s) at line 150.
- 160 Total Output Tax (For this period)** Add the figures entered on lines 140 and 150 to calculate the total for line 160.

Note your output tax is due on the following:

- Supplies to your staff
- Sales of business assets
- Hire or loan of goods to someone else
- Gifts of goods which cost you more than \$10.00 excluding GST
- The full value of goods sold where you have taken something in consideration for exchange.
- Commission received as an agent
- Self Supplies
- Any other taxable business income, even from a sideline transaction (including Royalties)

The above rules apply even if you use a retail scheme.

Remember also to do the following when calculating your Output Tax:

- You can include any GST under declared on previous returns totaling \$50.00 or less.
- You **cannot** zero-rate exports unless you hold satisfactory proof of export.

Computation of Input Tax Deductions (Lines 200 – 295)

(This section allows for reporting the GST paid)

- 200 Value of Imports** Enter the total amount paid (excluding GST and all taxes and charges) to the Comptroller of Customs for all imports cleared during the period.
- 210 Value of Domestic Purchases** Enter the value of local purchases made from other registered taxpayers **for which you received a tax invoice for this period.** Amount should be GST exclusive.
- 220 GST Paid on Imports** Enter the total amount of GST paid to the

Comptroller of Customs for all imports during the tax period. – Line 200x10%

- 230 GST paid on Local Taxable Supplies Purchases** Enter the total amount of GST paid or payable to other registered taxpayers for which you received a tax invoice during the period, whether or not you have actually paid the amount on the invoice.- Line 210x10% .
- 240 GST on Adjustments** If you have received a debit note from a registered taxpayer for GST short paid, or have issued a credit note to a registered taxpayer for GST overpaid, enter the amount of the GST only from the debit note (s) and the credit (s) at line 240.
- 295 Total Input Tax** Add the figures entered on lines 220 to 240 and enter the total at line 295.

Computation of Tax Payable or Excess Input Tax (Lines 300 – 410)

Note: This section has been separated into two parts. Lines 300 to 360 allow you to calculate your GST payable for the period. The other part, lines 400 to 420 allow you to compute any credit that can be carried forward to the next period.

- 300 Tax Payable for this Period** If the figure shown on line 160 is greater than the figure shown on line 295, enter the difference between the two figures on line 300. This is the tax owing for the period before calculating any penalty and interest you may owe if paying after the due date.
- 310 Credit from Previous Period** If you have excess credit from a previous period, enter the credit on this line 310.
- 320 Tax Due for this Period** Subtract the amount of credit from the previous period on line 310 from the tax owing on line 300 to calculate the amount of tax payable for this period. Enter the difference on this line 320.
- 330 If Paying after the due date** The penalty for late payment is 10% of the balance of tax owing shown on line 320. The amount calculated should be entered on this line.

340	If paying after the due date	Late payment also attracts an interest of 1.5% of the balance of tax due for the period. Calculate 1.5% of the figure on line 320 and enter the figure on this line 340.
350	Total Due	Add the figures on lines 320 to 340 and enter the total on this line 350.
360	Amount paid on filing	Enter the amount that you are paying when submitting your GST Return on this line.
OR		
400	Excess credit for this period	If the figure in line 295 is greater than the figure on line 160, enter the difference between the two figures here at line 400. This is your credit for the period.
410	Excess credit from previous period	If you have a credit from a previous period enter the credit on this line.
420	Total excess credit	Add lines 400 and 410 to total the excess credit to be carried forward for this period. Enter the figure on this line.

Please show the amount of GST paid on major capital acquisitions during the month and enter the amount on the line marked “GST on major capital acquisition”.

Please show the range of tax invoices you used this tax period. Show the first serial number for the first tax invoice of this period in the block on the left and the final serial number for last tax invoice of this tax period in the block on the right.

You are now ready to complete the DECLARATION at the bottom of the GST return with your name, signature, and position in the company, and the date you filed your return.

Important: Please complete the bottom portion mark “Taxpayer receipt”. This is a tear-off portion that will be stamped, date return to you as evidence of filing.

NOTE:

Please take care to avoid the following errors in calculating your input tax.

You *cannot* reclaim GST on items such as:

- Cars and other motor vehicles used for personal use
- Business entertainment
- Purchases and imports for solely private or personal use.

PLEASE REMEMBER ALSO:

- If you are partly exempt your recovery of input tax is subject to the partial exemption rules.
- To deduct any GST on credit notes issued to you by your suppliers.
- You can adjust an error from a previous return on your current GST return if it is less than \$50.00 on lines 150 and 240 of the Return form.

CHECK LIST

- Have you completed every box, writing “NIL” where applicable?
- Have you adjusted on your current return any errors totaling \$50.00 or less found on previous returns?
- If you are enclosing a payment, have you entered the amount on line 360?
- Have you signed and dated the Return?
- If you are paying by cheque or Postal Money Order, check the details especially date, signature, amounts and that words and figures agree.
- Is the cheque or Postal Money Order made out to the “Government of Belize” and crossed?
- Have you put your Tax Identification Number (TIN) on the back of the cheque or Postal Money Order?

Part VI

FILING RETURNS AND MAKING PAYMENT

When should the GST return be submitted and when should the payment be made?

All registered persons must submit an GST return **each** month. The GST return must be submitted no later than 15 days after the end of the tax period. For example, all purchases and sales for the month of July (July 1 to July 31) must be declared on an GST return that must be submitted by 15 August. In this example, August 15, is the “due date” of the GST return.

Any tax payable for the tax period must also be paid at the same time the GST return is submitted. For example, if the amount of GST collected from sales in July is greater than the amount of GST paid on purchases during July, then the difference must be paid at the same time the GST return is submitted.

The following are several important rules regarding the GST return and payment:

- The amount of tax that you calculate as payable should be paid in full by the due date. You will be entitled to make partial payments, however, the amount of tax that remains unpaid will be subject to penalties and interest
- You should still submit an GST return even if you have no taxable transactions for the tax period – simply insert “nil” in the applicable lines of the GST return
- If the due date falls on the weekend or a statutory holiday, then the due date is deemed to be the next working day (e.g. the GST return for the month of July, is due by August 15, however, if August 15 falls on a Saturday then the GST return will be due by Monday August 17,)
- If you have made major capital acquisitions during the month, then please ensure that you keep your invoices in such a manner that it is easily retrievable for audit inspection. Otherwise there is no need to attach a copy of the GST invoices or sales receipts when submitting the GST return. However, the records must be kept for 6 years.

The following are several important rules regarding the submission of the GST return and payment:

- The amounts declared in the GST return and the payment must be made in Belize currency; payments in other currencies will not be accepted.
- If you elect to send the GST return by mail, please do not send cash and remember that it is your responsibility to ensure the GST return is received by the Department of GST by the due date. The Department will use the postmark as the date the GST return and payment was made.

WHAT HAPPENS WHEN MY GST RETURN AND/OR PAYMENT ARE PROCESSED?

When your return and/or payment are processed, the officer will complete the boxes designated “For GST Use Only” on your GST returns. If you have paid in person, the receipt portion will be returned to you as proof of filing. If you have mailed your return, your receipt of payment along with the tear-off portion of the return will be forwarded to you through the post.

When the Department processes your GST return it may be determined that you have an additional amount of taxes, penalties, and/or interest to pay. If this is the case, then a Notice of Assessment will be sent to you indicating the additional amount that needs to be paid. If you disagree with this Notice of Assessment you have the right to submit an objection in writing to the Commissioner.

The following are some of the examples why a Notice of Assessment may be issued:

- You made mathematical errors when calculating the amount of tax that is payable or the amount of credit that was to be carried forward. The Notice of Assessment will show the errors that were made.
- Your GST return and payment were received after the “due date”; therefore, the system will calculate the appropriate amount of penalties and interest. This will be included in your Notice of Assessment.
- You may have declared an amount of credit carried forward from a previous tax period that is different than the information the Department of GST has on file.

The information that is declared on the GST return is “self-assessed”. The information provided by the taxpayer is accepted to be accurate and complete. However, the Department of GST reserves the right to audit or verify if the information provided on the GST return is an accurate and complete reflection of all purchases and sales.

WHAT HAPPENS IF I FILE MY RETURN AND/OR MAKE MY PAYMENT AFTER THE DUE DATE?

If you file your return after the due date or if you make payment after the due date, you are liable for the following:

- Late payment penalty of 10% of the tax due where the payment is not made by the due date;
- Interest at the rate of 1.5% per month or part thereof for the period during which it remains unpaid.

If you fail to pay the tax and/or penalty you owe the government, the GST Act empowers officers of the Department of GST to commence collection action.

PART VII

Frequently asked questions related to filing the GST return and making GST payments

1. Can the GST return cover more than one tax period?

No. Each GST return should cover only one calendar month. If for some reason, you have not filed a return for several months, then you will be required to submit one return for each month that you have missed

2. I've lost my GST Return?

Ask your local GST office for a new one immediately to avoid possible Penalty and Interest being charged. You must not submit a photocopy of the GST return for filing. Only originals are acceptable.

3. I have to be away from my business for a time?

You must arrange for someone else to complete your GST Returns and make payments on your behalf.

4. I've made a mistake on my previous return?

If such an amount is less than \$50.00 then you can report the error on your next return using either lines 150 or 240. If the amount is greater than \$50.00 then please inform the Department of GST who will take the necessary action to correct the error.

5. Can I make an advance payment without a GST return before the return and payment due date?

Most taxpayers will file the GST return and make the payment by the due date; however, the Department of GST will accept advance payments. All you need to do is to visit the Department and inform them that you would like to make a payment in advance. You will still be required to file the monthly GST return and make any final payment by the due date.

6. Can I submit a separate GST return for each branch or each division of my company?

No, this is not permitted. You must submit only one GST return for the entire company.

7. If a sole proprietor owns more than one business, can he submit one GST return for each business?

No. Like the answer to question 6, the sole proprietor will be required to submit only one GST return for all his businesses.

8. I can't make an accurate GST Return?

You must contact your local GST Office for assistance.

Other frequently asked questions relating to the filing of GST

1 .I want to dispute an assessment?

You may apply to the Commissioner of GST in writing within fifteen (15) days of the notice of assessment. Your dispute must state the grounds on which the assessment is disputed. However, your dispute shall not be entertained or heard unless and until you have paid to the Commissioner at least 50% of the tax due.

2.I've received a "Notice of Assessment" to correct a mistake found by a GST auditor?

You should **NOT** include any of the assessed figures on your next GST Return? The amount due should be paid in full at the Department of GST where your business is located. However, if you are operating in the district where there is no branch office, your payment should be made at the district Sub-Treasury.

3.I haven't received my refund?

You should get your refund within four (4) months of the submission of your GST Return. If your refund takes longer than four (4) months, the Department of GST will pay to you interest on refund due at the rate of 1% per month or part of a month. However, no interest will be paid to you if your Return was held up for investigation.

4.My GST due or refund is a small amount?

Where the amount of GST due or refund for an accounting period, is not more than \$5.00, the amount shall be deemed to be Nil. However, a GST Return must be filed as usual by the due date.

5.My records were lost or destroyed?

If your records were lost or destroyed you must write your local GST Office immediately giving full details, and the GST Office will take necessary action.

6.I have Bad Debts?

You should keep your records updated to verify bad debts.
If you need any further information, contact your local GST Office.

7.My Business circumstances change?

If your business circumstances change you must write your local GST Office immediately giving full details. A special form is also available called "Change of Status". You will find more about this in the GST guide.

8. What should I do if my Business is Bankrupt?

You must inform the GST Office of the position immediately, and keep all records for examination by GST Inspectors, who will take the necessary actions for the recovery of any GST due or refundable to you.

FURTHER INFORMATION

If you need any further assistance or information on GST, please feel free to contact your local GST Office during the normal working hours. Please always quote your Tax Identification Number when writing or communicating with us.

You can email us at salestaxoffice@stx.gov.bz or write to us at:

**Department of General Sales Tax
P.O. Box 1887
Belize City, Belize**

APPENDIX I

**(Sections 2
and 9)**

FIRST SCHEDULE

ZERO-RATING: EXPORTED GOODS

(1) The following taxable supplies of goods are zero-rated supplies for the purposes of this Act

1. A supply of goods, if the supplier has entered the goods for export under the Customs and Excise Duties Act and the goods have been exported.
2. A supply of goods, if the Commissioner is satisfied that the goods have been exported from Belize by the supplier.
3. A supply of goods, if
 - (a) the goods are supplied in Belize to a non-resident recipient who is not a taxable person, or to the agent of that recipient;
 - (b) the supplier has sufficient documentary evidence to establish that the recipient or agent entered the goods for export under the Customs and Excise Duties Act; and
 - (c) the goods were exported without being altered or used in any way between the time they were delivered or made available to the recipient and the time they were exported, except to the extent, if any, necessary to prepare them for export.
4. A supply of goods to a commercial free zone under the Free Zones Act or to an export processing zone under the Export Processing Zone Act.
5. A supply of aircraft's stores or ship's stores, or of spare parts for an aircraft or ship, if the stores or parts are for use, consumption, or sale on the aircraft or ship during a international flight or voyage.
6. A supply of goods in the course of repairing, maintaining, cleaning, renovating, modifying, treating, or otherwise physically affecting other goods referred to in items 3, 4, or 5 in paragraph (1) of the Second Schedule, if the goods supplied are:
 - (a) attached to or become part of those other goods; or
 - (b) become unusable or worthless as a direct result of being used to repair, renovate, modify or treat the other goods.
7. A supply of goods if the goods are located outside Belize at the time of supply and will not be imported into Belize by the supplier.
8. A supply of real property located outside Belize.

(2) A supply of goods is not zero-rated under paragraph (1) if the goods have been or will be re-imported into Belize by the supplier.

CAP.48

CAP.48

Act 26/2005

CAP.280

(Sections 2 and 9)

SECOND SCHEDULE

ZERO-RATING: EXPORTED SERVICES

(1) The following taxable supplies are zero-rated supplies for the purposes of this Act

SERVICES CONNECTED WITH EXPORTED GOODS

1. A supply of services directly in connection with land, or improvements to land, situated outside Belize.
2. A supply of services directly in connection with goods situated outside Belize at the time the services are performed.
3. A supply of services directly in connection with goods temporarily imported into Belize under the special regime for temporary imports specified in the Customs and Excise Duties Act, but only to the extent that the services are consumed outside Belize;
4. A supply of services directly in connection with a container temporarily imported under the special regime for temporary imports specified in the Customs & Excise Duties Act.
5. A supply of the services of repairing, maintaining, cleaning, renovating, modifying, or treating an aircraft or ship engaged in international transport.
6. A supply of services that
 - (i) consist of the handling, pilotage, salvage, or towage of a ship or aircraft engaged in international transport; or
 - (ii) are provided directly in connection with the operation or management of a ship or aircraft engaged in international transport.
7. A supply of services directly in connection with a supply referred to in item 1, 2, 5, or 6 in paragraph (1) of the First Schedule, or item 5 or 6 of this paragraph, including a supply that consists of arranging for, or is ancillary or incidental to, such supply.
8. A supply of services to a non-resident who is not a taxable person, if the supply is directly in connection with a supply referred to in item 3 in paragraph (1) of the First Schedule, or items 1, 2, or 3 of this paragraph,

including a supply that consists of arranging for, or is ancillary or incidental to, such supply.

SERVICES CONSUMED OUTSIDE BELIZE

9. A supply of services that are physically performed outside Belize, if the services are of a kind that are effectively used or enjoyed at the time and place where they are performed.

10. A supply of services to a non-resident person who is outside Belize at the time the services are supplied, other than a supply of services

(i) directly in connection with land, or improvements to land, situated in Belize;

CAP.48 (ii) directly in connection with goods situated in Belize at the time the services are performed;

(iii) that consist of refraining from or tolerating an activity, a situation, or the doing of an act in Belize, if the restraint or toleration is effectively used or enjoyed in Belize.

11. A supply of services that consist of

(i) the filing, prosecution, granting, maintenance, transfer, assignment, licensing, or enforcement of intellectual property rights for use outside Belize;

(ii) incidental services necessary for the supply of services referred to in sub-paragraph (i); or

(iii) the acceptance by a person of an obligation to refrain from pursuing or exercising, in whole or part, intellectual property rights for use outside Belize.

12. A supply of telecommunications services by a resident telecommunications supplier to a non-resident telecommunications supplier, to the extent that the supply is for the use or consumption of a person outside Belize at the time the services are performed.

13. A supply of telecommunications services that are provided to a person, other than a telecommunications carrier, if the telecommunications service is initiated outside Belize.

(3) A supply of services is not zero-rated under item 10, 12, or 13 in paragraph (1) if the supply is a supply of a right or option to receive a supply of goods or services in Belize, unless the supply to be received would be zero-rated if it were made in Belize.

(4) Without limiting paragraph (3), a supply of services is not zero-rated under item 10, 12, or 13 in paragraph (1) if the services are supplied under an agreement that is entered into, whether directly or indirectly, with a person who is a non-resident, if

- (a) the performance of the services is, or it is reasonably foreseeable at the time the agreement is entered into that the performance of the services will be, received in Belize by another person, and
- (b) it is reasonably foreseeable, at the time the agreement is entered into, that the other person will not be a taxable person when it receives the performance of the services,

and for the avoidance of doubt, if the supply is a supply of a right or option to receive services, the performance of the services referred to in this paragraph is the performance of the services to be received, rather than the granting of the right or option.

(Sections 2 and 9)

THIRD SCHEDULE
ZERO-RATING: OTHER SUPPLIES AND IMPORTS

(1) In this schedule-

“unprocessed,” in relation to food, means that the food contains no additives, other than vitamins or minerals, and has not been subjected to a process or treatment other than pasteurizing, freezing, chilling, or packaging, a mechanical process, or a process that solely employs the elements of weather.

(2) Subject to the regulations, a taxable supply or taxable import is zero-rated for the purposes of this Act if it is a supply or import of one of the following items.

FOOD FOR HUMAN CONSUMPTION

1. Unprocessed food for human consumption if the food of a kind itemized in the following table:

Item	Description
1	Rice
2	Flour
3	Bread
4	Corn
5	Fresh Meat from any mammal, bird, or fish
6	Eggs
7	Beans
8	Sugar
9	Tortilla
10	Fresh Milk
11	Fresh fruits and vegetables (locally produced)

12.	Salt
13.	Cooking lard
14.	Baby formula
15.	Margarine

2. Any live bird, fish, crustacean, mollusc or other animal of a kind generally used as, or producing, food for human consumption.
3. Hatching eggs.

APPENDIX II

(Section 2 and 15)

FOURTH SCHEDULE

EXEMPT SUPPLIES

(1) In this schedule-

“new residential premises” means residential premises that -

- (a) have not previously been sold as residential premises or been the subject of a long-term lease;
- (b) have been created by the substantial renovation of a building; or
- (c) have replaced demolished premises on the same land;

“residential premises” means a building occupied or capable of being occupied as a residence, but not including hotel or holiday accommodation.

(2) The following supplies are exempt for the purposes of this Act -

FINANCIAL SERVICES AND OTHER INTERMEDIATION SERVICES

1. A supply of the following “financial services,” except where provided in return for an explicit fee or charge-

- (a) granting, negotiating, and dealing with loans, credit, credit guarantees, and security for money, including management of loans, credit, or credit guarantees by the grantor;
- (b) transactions concerning money, deposit and current accounts, payments, transfers, debts, cheques, or negotiable instruments, other than debt collection and factoring;
- (c) transactions relating to financial derivatives, forward contracts, options to acquire financial instruments, and similar arrangements;
- (d) transactions relating to shares, stocks, bonds, and other securities, other than custody services;
- (e) management of investment funds;
- (f) provision, or transfer of ownership, of an insurance contract or the provision of reinsurance in respect of such contract;
- (g) provision, or transfer of ownership, of an interest in a scheme whereby provision is made for the payment or granting of benefits by a benefit fund, provident fund, pension fund, retirement annuity fund or preservation fund;

(h) a supply of credit under a finance lease, if the credit for the goods is provided for a separate charge and the charge is disclosed to the recipient of the goods; or

(i) the arranging of any of the services in paragraphs (a) to (h).

2. A gambling supply, but only if

(i) the supply is of a ticket in Boledo or Jackpot Lottery; or

(ii) the supply is of a ticket in a lottery where the total winnings are less than one thousand five hundred dollars.

RESIDENTIAL PROPERTY

3. A sale of real property to the extent that the property relates to residential premises other than new residential premises.

4. A supply of residential accommodation.

CAP. 36 EDUCATION

5. A supply of goods or services by an Educational Institution within the meaning of the Education Act in the course of providing training or education to an individual, if that Institution -

(i) in the case of a private school, is registered under that Act, and

(ii) in any other case, is approved for the purposes of this item by the Minister to whom responsibility for education is assigned

6. A sale, lease, licence or other supply of the use of land, or a supply of goods and services in connection with the construction of buildings or other facilities on land, if -

(i) the supply is provided to an Education Institution within the meaning of the Education Act; and

(ii) the Minister responsible for Education has issued a notice in writing stating that he is satisfied that the land, buildings, or facilities will be used in providing supplies that are exempt under item 7 and the supplier holds an original or certified copy of that notice.

7. Textbooks, school work books, or other educational texts in question-and-answer format with spaces for insertion of answers, children's picture or painting books, or exercise books; other books in single sheets, dictionaries and encyclopedias and serial instalments thereof, other books, Music printed or in manuscript whether or not bound or illustrated, maps and charts in book form.

8. Equipment or furniture for the use of an Educational Institution within the meaning of the Education Act, provided that the supplier holds a Statutory Declaration from the Institution stating that the goods will be used only in the course of providing goods or services that are exempt under items 6 and 7.

MEDICINES AND MEDICAL SUPPLIES FOR HUMAN USE

9. Analgesics in the form of liquids, tablets, capsules, or other solid dosage forms for oral or rectal use.
10. Cough and cold preparations in the form of liquid, tablets, capsules or other solid dosage forms for oral or nasal use.
11. Diagnostic-testing kits and devices for testing glucose in blood and urine.
12. Insulin and insulin syringes with needles and devices of a type not exceeding 100 units (1.0ML) capacity, for the administration of U-100 insulin.
13. Oral rehydration preparations in the form of salts or solutions of W.H.O./Paramacopoeia standards.
14. Dialysis fluids.
15. Oxygen.

SUPPLIES CONNECTED WITH AGRICULTURE

16. Animal feeding stuff suitable for any live bird, fish, crustacean, mollusc or other animal of a kind generally used as, or producing, food for human consumption or for any draught animal.
17. Seeds and other means of propagation of plants that are used for providing either food listed in item 1 of the Third Schedule or a feeding stuff referred to in item 16 above.
18. P reparations formulated for agricultural use, namely, fertilizers, pesticides, fungicides and herbicides.
19. Crop dusting services.

ACCOMMODATION SERVICES

20. The supply of accommodation in a hotel, inn, guesthouse, boarding house, lodging house or any other similar establishment.

FRUIT CONCENTRATE

21. Locally produced fruit concentrate.

UTILITIES AND PUBLIC TRANSPORT

22. A supply of electricity to consumers who use up to \$150.00 of electricity per month.
 23. A supply of Public Postal Services.
 24. A supply of water (other than water supplied in bottles or similar containers) or domestic sewerage services.
 25. A supply of the domestic public transport of passengers on any regular scheduled flight, vehicle, or vessel if-
 - (a) the transport is for use by any person who pays the required fare and is not provided to a particular class of person, such as, without limitation, an employee of the supplier or a guest at a hotel or similar establishment;
 - (b) the supply is not provided by a tour operator or as part of a tour; and
 - (c) the supplier:
 - (i) in relation to transport supplied on a domestic flight, is licensed by the Air Transport Licensing Authority;
 - (ii) in relation to transport supplied in a vehicle, has been issued with a Road Service Permit by the Transport Board established under section 4 of the Motor Vehicles and Road Traffic Act; or
- CAP. 230**
- (iii) in relation to transport supplied in a vessel, is licensed under the Harbour and Merchant Shipping Act.

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EXPORTED SERVICES

26. A supply of the international transport of passengers or goods.