

Guidelines & Obligations of VAT Registered Businesses

1. VAT Registration threshold is **\$100,000.00** sales.
2. Taxpayers are obliged to register at Tax office **OR** Tax office could Register the business for VAT as soon as it finds out that such business has reached the registration threshold. The registration could be dated back to the date when such business reached \$100,000.00.
3. Tax office does the registration for VAT and then issue a VAT Registration Certificate.
4. A VAT registered business must display its VAT Certificate for Customer information.
5. A VAT registered business is expected to use Tax invoices that clearly show TIN and VAT inclusive prices.
6. To charge VAT on taxable supplies at the rate of 12.5% but not charge VAT on exempted goods and services **NOR** zero rated supplies (see list of exempted & zero-rated supplies)
7. To submit a VAT return to the Tax office within 15 days after end of quarter.
8. VAT payable must be paid to the Tax office within 15 days after end of quarter.
9. A completed VAT return to be filed at Tax office must be signed by the Owner or authorized person (include consent authority letter from Owner).
10. Later filers and non-filers must be penalized a late filing fee of \$30 per month or part of the month.
11. A taxpayer shall be penalized with a late payment penalty of 15% on the unpaid amount due.
12. A taxpayer shall be charged with 15% interests that run on a yearly basis on the unpaid tax due.