

What are my obligations as a VAT registered business?

As a VAT registered business you will have to:

Issue a VAT invoice;

Lodge a monthly or quarterly VAT return to SRC;

Charge VAT on all your taxable supplies;

Display the original copy of your VAT registration certificate in a noticeable area within your principal place of business and copies of the certificate at all your other places of business;

Notify us in writing of any changes in name (including business name), address, place of business or nature of the business within 21 days of the changes having been made; and

Keep proper records of your transactions.

What are the benefits of being VAT registered?

As a VAT registered business you will be able to benefit from the following:

Credit on all the VAT you incurred when making purchases and expenses entirely used for business purposes. The VAT incurred on your input can be offset against the VAT charged to your customers on your sales.

A refund if the VAT you have incurred is not offset against the VAT you have charged to your customers

Deferred payment facility when importing a capital asset with a value equal to or exceeding SR 100 000 (See VAT Manual)

This brochure is not intended as an exhaustive explanation of the law. If you require detailed information about your tax obligations you should visit the SRC advisory centre or write to us.

For more information

Visit:

Ocean Gate House
Room 2 (ground floor)
Victoria, Mahé, Seychelles

Write to:

Seychelles Revenue Commission
Orion Mall Second Floor, Mahe
Seychelles, Tel: 4293737
Email: commissioner@src.gov.sc
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SEYCHELLES REVENUE COMMISSION

Do you need to Register for VAT?



An explanation about VAT registration

VAT Registration

As a business, you must register for VAT in order to charge VAT on the sale of your goods and services (taxable supplies). This means that you have to be registered and certified by SRC. Businesses that are not registered for VAT will not be able to charge VAT on their sales.

Can everyone register for VAT?

There are two (2) basic criterias that need to be met before you can be registered for VAT. You must be:

- an enterprise carrying out a business, trade, commerce, manufacture, profession, vocation or occupation; and,
- making or will be making taxable supplies

Depending on your business' annual sales turnover, if you meet these 2 basic criteria you will be registered either on a:

- **compulsory** basis - if the annual sales turnover of your business is equal to or has exceeded the VAT threshold of SR5 million or is expected to exceed the threshold (see Compulsory Registration leaflet); OR
- **voluntary** basis - if the annual sales turnover of your business is below the VAT threshold of SR 5 million and is not expected to exceed the VAT threshold. (See Voluntary Registration leaflet)

What is annual sales turnover for VAT purposes?

The total sales you make at the end of your business tax year is the annual sales turnover of your business. For VAT purposes, your annual sales turnover only include the sales of the product of your specific business activity. The sale of your asset is not considered as your annual sales turnover for VAT purposes.

NB: A business tax year normally starts from January to December of that same year. However some businesses may have a substituted business tax year which starts from March and ends in February of the following year.

Do I need to register if I am a non-resident operating in Seychelles?

Yes. Just like a resident, if your business' annual sales turnover is equal to or exceeds or is expected to exceed SR 5 million, hence your business falls within the VAT threshold, you must register for VAT. If your business does not fall within the VAT threshold you can choose to apply for voluntary registration. (See leaflet on VAT Registration for Non-Resident)

When do I need to register for VAT?

Registration for VAT will start from February 2012. You are encouraged to register early in order for you to benefit from the VAT workshops that SRC will be organising starting March 2012.

How do I register for VAT?

If your business is already registered with SRC, a VAT registration form will be sent to you for you to confirm whether your business will be VAT registered on a compulsory or voluntary basis. If a form has not been sent to you, please contact the Advisory Center and other SRC offices on Praslin and La Digue for a copy or download a copy from our website (www.src.gov.sc).

If you are a new business, upon registering with SRC, you will be asked to complete a VAT registration form if your annual sales turnover is expected to fall within the VAT threshold. If not, you will be asked whether you wish to be considered for voluntary registration.

Once registered for VAT, SRC will inform you in writing and you will be issued with a VAT Registration Certificate.