

S.I. 34 of 2013

VALUE ADDED TAX ACT, 2010

(Act 35 of 2010)

Value Added Tax (Refunds) Regulations, 2013

In the exercise of the powers conferred by section 52 of the Value Added Tax Act read with section 37, the President acting as the Minister of Finance, Trade & Investment hereby makes the following regulation —

1. This regulation may be cited as the Value Added Tax (Amendment) Regulation, 2013. Citation

2. A refund may be claimed, where — Refund
 - (a) VAT credit has been carried forward to 2 consecutive VAT periods and exceeds SCR10,000 at the end of the third VAT period by a compulsory registered taxable person;
 - (b) a VAT credit exceeding SCR10,000 is reported on the quarterly return by a voluntary registered taxable person; or
 - (c) unless otherwise applicable, a VAT credit exceeding SCR10,000 is reported on a monthly return by an exporter, supplier of zero-rated goods or services or investor during the commencement phase of the business activity. Application for deferred payment

3. Subject to regulation 2, a VAT refund shall be granted where a taxable person has claimed for a refund on a VAT return duly completed and has fulfilled all payment obligations. VAT returns and payment obligations

Statutory
period

4. Any VAT refund is processed within a statutory period of 45 days from the date the claim for refund is made unless the taxable person has —

- (a) submitted inaccurate VAT returns;
- (b) failed to respond within a reasonable period to queries;
- (c) been engaged in fraudulent activity.

Definition

5. For the purpose of this regulation —

“exporter” means where a taxable person's turnover is attributable to 85% of the export sales;

“supplier of zero-rated goods or services” means where a taxable person's turnover is attributable to 85% of the zero-rated supplies excluding any export sales;

“investor during the commencement phase” means a taxable person who had not collected any VAT and has incurred preliminary expenditures in relation to the commencement of the business activity.

MADE this 18th day of April, 2013.

**JAMES A. MICHEL
PRESIDENT**