

What happens if I do not register for VAT if I exceed the threshold?

Based on our information (your latest business tax return), SRC will register your business even if you have not returned the signed VAT registration form. Once your business is registered, SRC will assess VAT on all your taxable supplies from the date that you have been registered as though your supplies included VAT.

It is an offence, under the VAT Act 2010, for a business that is obligated to register, to fail to register.

SRC will give you the opportunity to justify why you have not registered for VAT and if satisfied that you should not be registered, your registration will be cancelled. Otherwise you will remain registered.

When will my VAT registration take effect?

Your registration will become effective:

- ◆ As of 1 January 2017 if you register your business by 1 January 2017
- ◆ An earlier date based on when you should have been registered by exceeding the VAT registration threshold.

Seychelles Revenue Commission Information Brochure Compulsory Registration for VAT

For more information

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 or write to us.

Visit:

Seychelles Revenue Commission
3rd Floor
Maison Collet
Victoria, Mahé

Write to:

PO Box 50
Victoria, Mahé

**Phone:
4293737**

E-mail / Web

commissioner@src.gov.sc
www.src.gov.sc



Compulsory VAT Registration



An explanation about Compulsory
VAT registration

What is Compulsory Registration?

Compulsory registration applies to all businesses selling goods and services and who are responsible under the Value Added Tax Act 2010 to register for VAT. These businesses do not have the option of not registering for VAT.

What determines whether or not it is compulsory for a business to register for VAT?

You need to register if:

- ◆ you conduct a business;
- ◆ you sell goods or services; and
- ◆ The value of your goods and services sold for the year exceeds the VAT registration threshold.

The VAT registration threshold has been set at SCR 2 million since January 2015.

If the total value of the goods and services for the year sold by your business is equal to, exceeds or is expected to exceed the VAT registration threshold, your business MUST register for VAT

What is counted towards the registration threshold for VAT purposes?

The value of all VAT taxable goods and services sold by your business during the financial year is

measured against the VAT registration threshold. The sale of your asset or goods and services which are exempted from the VAT are not included as your annual turnover for VAT purposes.

How do I register for VAT?

Businesses can collect a copy of the VAT registration form from any of our offices on Mahé, Praslin or La Digue

Alternatively the form can be downloaded from the SRC website (www.src.gov.sc).

Once you receive the VAT registration form, you need to complete, sign and send it back to SRC to finalize your VAT registration.

What happens after submitting the VAT registration form?

Once you have submitted your VAT registration form, the SRC will:

1. Acknowledge receipt of your form;
2. Contact you if there are any issues that need to be resolved;
3. Issue you with a letter confirming the status of your registration;
4. Issue you with your VAT Registration Certificate and a VAT Sticker.

What happens if my business is NOT registered, but realise that it should?

If you are NOT registered, but during the year you realize that your business MUST be registered, you need to register your business:

- ◆ At the beginning of the year, if you expect your business's taxable sales to exceed the VAT registration threshold, or
- ◆ At the end of or during the tax year if your business's taxable sales actually exceeded the VAT registration threshold.

What happens if my business is registered but realise that it should not?

If your business is registered, but you realize that your business's taxable sales will not exceed the VAT registration threshold you will no longer be obligated to be registered. You need to inform SRC so that you can either :

- ◆ Remain registered but on a voluntary basis, OR
- ◆ Cancel your VAT registration (See leaflet on Deregistration for VAT).

Note however that your business will be kept in the VAT register for a 12 month period from the time you first registered.