

THE OFFICIAL GAZETTE 19TH DECEMBER, 2016
LEGAL SUPPLEMENT — B

GUYANA

No. 18 of 2016

ORDER

Made Under

THE VALUE ADDED TAX ACT

(Cap. 82:05)

**IN EXERCISE OF THE POWER CONFERRED UPON ME BY SECTION 98 OF THE
VALUE ADDED TAX ACT, I MAKE THE FOLLOWING ORDER:-**

Citation and
commencement.

1. This Order which amends Schedules I and II to the Act may be cited as the Value Added Tax (Amendment of Schedules) Order 2016 and shall come into operation on the 1st day of February 2017.

Amendment of
Schedules to the Act.

2. The provisions of Schedules I and II to the Act specified in column one of the Table are amended in the manner specified in the corresponding entries in column two -

TABLE

SCHEDULE	AMENDMENT
Schedule I	<p>by substituting the First Schedule for the following –</p> <p style="text-align: center;">“SCHEDULE I</p> <p style="text-align: center;">Zero-rated Supplies for Purposes of Section 17</p> <p>1. In this Schedule -</p> <p>“export country” means any country other than Guyana and includes a place which is not situated in Guyana, but does not include a specific country or territory that the President by proclamation in the <i>Gazette</i> designates as one that is not an</p>

	<p>export country;</p> <p>“exported from Guyana”, in relation to any movable credit agreement, means -</p> <p>(a) consigned or delivered by the registered person to the recipient at an address in an export country as evidenced by documentary proof acceptable to the Commissioner; or</p> <p>(b) delivered by the registered person to the owner or charterer of a foreign-going aircraft when such aircraft is going to a destination in an export country and such goods are for use or consumption in such aircraft, as the case may be; and</p> <p>“intellectual property rights” means a patent, design, trade mark, copyright, know-how, confidential information, trade secret, or similar rights.</p> <p><u>EXPORT OF GOODS</u></p> <p>2. The following goods are zero-rated for the purpose of section 17 –</p> <p>(a) a supply goods in the course of repairing, renovating, modifying or treating goods including goods temporarily imported into Guyana under the exemptions under the Customs Act and the goods -</p> <p>(i) are wrought into, affixed to, attached to, or otherwise form part of those other goods; or</p> <p>(ii) being consumable goods, become unsalable or worthless as a direct result of being in that repair, renovation, modification or treatment process;</p> <p>(b) a supply of goods under a rental agreement, charter party or agreement for chartering where the goods are used exclusively in an export country;</p>
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- (c) a supply of goods where the Commissioner is satisfied that the goods have been exported from Guyana by the supplier;
- (d) a supply of goods where the goods are not situated in Guyana at the time of supply and are not to be entered into Guyana for home consumption pursuant to the Customs Act by the supplier of the goods;
- (e) a supply of goods where the supplier has entered the goods for export, pursuant to the Customs Act, and the goods have been exported from Guyana by the supplier; and
- (f) a supply of goods financed from proceeds of a donor agency.

EXPORT OF SERVICE

3. The following supplies are zero rated for the purpose of section 17-

- (a) a supply of services directly in connection with land or any improvement to land situated outside Guyana;
- (b) a supply of services directly in respect of -
 - (i) movable property situated outside Guyana at the time the services are rendered;
 - (ii) goods temporarily imported into Guyana under the exemptions in the Customs Act;
 - (iii) a supply of goods referred to in paragraph (a) or (b) of the definition of “exported from Guyana”; or
 - (iv) the repair, maintenance, cleaning, or reconditioning of a foreign-going aircraft.
- (c) a supply of services directly to a non-resident person who is not a taxable person, otherwise than through an agent or other person-
 - (i) comprising the handling, pilotage, salvage, or towage of a foreign-going aircraft while situated in Guyana;
 - (ii) provided in connection with the operation or management of a foreign-going aircraft; or

	<p>(iii) comprising the storage, repair, maintenance, cleaning, management, or arranging the provision of a container temporarily imported under the Customs Act, or the arranging of services.</p> <p>(d) a supply of services physically rendered elsewhere than in Guyana;</p> <p>(e) a supply of services to a non-resident person who is not a taxable person comprising the arranging for the person of –</p> <ul style="list-style-type: none">(i) a supply of goods referred to in paragraphs (a) and (b) of the definition of “exported from Guyana”;(ii) a supply of services for repair, maintenance, cleaning or reconditioning of a foreign-going aircraft; or(iii) the transport of goods including ancillary transport services within Guyana. <p>(f) a supply of services to a non-resident person who is outside Guyana at the time the services are supplied, other than a supply of services -</p> <ul style="list-style-type: none">(i) comprising the refraining from undertaking any taxable activity in Guyana;(ii) comprising the tolerating of another person undertaking any taxable activity in Guyana;(iii) directly in connection with immovable property situated in Guyana; or(iv) directly in connection with movable property situated in Guyana at the time the services are supplied unless the movable property is exported from Guyana subsequent to the supply of services; <p>(g) a supply of services comprising –</p> <ul style="list-style-type: none">(i) the filing, prosecution, granting, maintenance, transfer, assignment, licensing, or enforcement of any intellectual property rights for the use outside Guyana;
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(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 any intellectual property rights for use outside Guyana.

OTHER IMPORTS

4. The following supplies are zero rated for the purposes of section 17-

(a) importation of raw materials to be used in the production of goods which will be subsequently exported by a taxable person who, to the satisfaction of the Commissioner, exports at least 50% (fifty percent) of all its products;

(b) importation of packaging materials to be used in the production of goods which will be subsequently exported by a taxable person who, to the satisfaction of the Commissioner, exports at least 50% (fifty percent) of all its products;

(c) importation of raw materials and packaging materials to be used in the production of exempt goods to the satisfaction of the Commissioner; or

(d) all bio-degradable containers used in the packaging of the food and beverages.

INVESTMENT/ LOCAL MANUFACTURING

5. Exempted for the purposes of section 18 is a supply by a registered person to another registered person of a taxable activity, or part of a taxable activity, as a going concern, provided a notice in writing signed by the transferor and transferee is furnished to the Commissioner within fifteen days after the supply takes place and such notice includes the details of the supply.

	<p><u>MEDICAL SUPPLIES</u></p> <p>6. The following medical supplies are zero-rated for the purposes of section 17 -</p> <p>(a) a supply of medicines and drugs of a kind available only by prescription;</p> <p>(b) any of the following medicines for human use -</p> <p>(i) analgesics in the form of liquids, tablets, capsules or other solid dosage forms for oral or rectal use;</p> <p>(ii) cough and cold preparations in the form of liquids, tablets, capsules or other solid dosage forms for oral and nasal use;</p> <p>(iii) antacids and anti-flatulants in the form of liquids, tablets, capsules and other solid dosage forms for oral use;</p> <p>(iv) laxatives in the form of liquids, tablets, capsules or other solid dosage forms for oral or rectal use;</p> <p>(v) anthelmintics in the form of liquids, tablets or capsules for oral use;</p> <p>(vi) oral rehydration preparations in the form of salts or solutions of W.H.O./Pharmacopoeia standards.</p> <p>(c) diabetic-</p> <p>(i) glucometers (glucose blood test machines) and glucose blood strips made for use with such machines;</p> <p>(ii) insulin syringes with needles and devices for the</p>

Schedule II	<p style="text-align: center;">administration of insulin.</p> <p>(d) spectacles prescribed by an optometrist in the treatment of the human eye and visual system;</p> <p>(e) crutches.”.</p> <p>by inserting the following paragraphs –</p> <p>“3. The following educational materials are exempt for the purposes of section 18 -</p> <p>(a) printed books, including children’s picture books, children’s drawing books, children’s story books, coloring books, instructional newspapers and newsletters, textbooks, dictionaries, atlases, music manuscripts, recipe books, religious books, novels, exercise books, notebooks (spiral and composition), graph books and graph paper;</p> <p>(b) educational charts, alphabetical charts, numbers charts, maps, globes;</p> <p>(c) school supplies of student-use quality, including file paper (loose leaf ruled three-holed filler paper), crayons (wax and wooden), dividers and compasses for school use, erasers, chalk (white and colored), chalkboard erasers, hand held pencil sharpeners, simple protractors used by students, scientific calculators only, rulers, pencils, student’s paints (whether in tablets, tubes, jars, bottles, sets or similar forms and packages), lunch kits, lunch packs, lunch bags and geometry sets.</p> ”
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	<p>4. The following food items are exempt for the purposes of section 18 -</p> <ul style="list-style-type: none">(a) bread made with wheat flour or whole wheat flour whether plait or sliced and tennis rolls;(b) raw brown rice, raw white rice and parboiled rice;(c) raw brown sugar;(d) cooking oil- vegetable, corn and coconut oil;(e) cow's milk and milk powder, evaporated milk, liquid cow's milk including Ultra High Temperature (UHT) milk and fully and partially skimmed milk, powered milk (skim and cream) but not including other milk such as flavoured milk;(f) baby formula;(g) baby cereal including Nestum, Gerber, Cerelac;(h) fresh fruits, but not including apples, grapes, dates, prunes, peaches, plums, strawberries and other assorted berries;(i) fresh vegetables, including onions, garlic, potatoes but not including olives, radishes, broccoli and cauliflower and similar assorted vegetables;(j) dried split peas, pigeon peas (not including canned pigeon peas), dried kidney beans (not including canned kidney beans), dried chick peas (not including canned chick peas), dried black-eyed peas (not including canned back-eyed peas);(k) unprocessed wheat;(l) flour (all types of flour including high fiber, flour made from durum wheat, wheaten flour excluding other exotic flour);(m) barley flour;(n) plantain flour;(o) roti-mix;(p) self-rising flour;
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	<ul style="list-style-type: none">(q) cassava bread(r) casreep;(s) cheddar cheese not including grated, powdered, or single-sliced cheese;(t) farine;(u) margarine;(v) uncooked bird's eggs;(w) baking powder, including Champion, Lion and all other brands of baking powder;(x) cooking salt such as Iodine, Dec, Kosher, black, table salt etc;(y) uncooked fresh, chilled or frozen chicken;(z) baby chick and live chicken;(aa) fresh, chilled or frozen pork, beef, shrimp, prawns, mutton; fresh, chilled or frozen fish, salted fish, but not including canned products (locally produced). <p>5. The following consumer items are exempt for the purposes of section 18 -</p> <ul style="list-style-type: none">(a) diapers such as pampers for adults and babies;(b) kerosene stoves;(c) sanitary napkins or panty liners;(d) toilet tissue rolls;(e) bleach;(f) soap powder;(g) laundry soap;(h) matches; and(i) mosquito nets. <p>6. The following domestic services are exempt for the purposes of section 18-</p>
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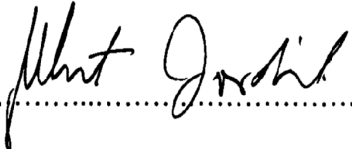
	<p>(a) funeral services;</p> <p>(b) human remains.</p> <p>7. The following agriculture items and equipment are exempt for the purposes of section 18-</p> <p>(a) paddy;</p> <p>(b) vegetable seeds (used for garden purposes)</p> <p>(c) fertilizers</p> <p>(d) fish hooks, sheet lead, fishing floats, cotton, and styrofoam for use in the fishing industry;</p> <p>(e) harrows, cultivators, scarifiers, weeders and hoes;</p> <p>(f) ice for fishing purposes;</p> <p>(g) knotted netting twine, cordage or rope made up of fishing nets and other made up nets, of textile materials;</p> <p>(h) machinery used for preparing animal feeding stuffs;</p> <p>(i) machinery, equipment or components used in the generation of renewable energy in the agriculture sector using agricultural by-products.</p> <p>8. Exempted for the purposes of section 18 are a supply of medical, dental, hospital, optical or paramedical services, other than veterinary services.</p> <p>9. Exempted for the purposes of section 18 are a supply of computers, computer accessories, notebooks, laptops and printers for personal use.</p> <p>10. The following supplies of import of motor vehicles are exempt for the purposes of section 18-</p> <p>(a) importation of motor vehicles that are at least 4 years and older from the date of manufacture;</p>
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	<p>(b) motor vehicles for persons qualifying for exemption from custom duties under section 23 of the Customs Act;</p> <p>(c) motor vehicles when imported by any diplomatic mission or consulate or diplomats accredited to Guyana – who qualify under the First Schedule, Part III B2 item 6 made under the Customs Act;</p> <p>(d) all-terrain vehicles for use in the mining industry and by Toshias from Amerindian Communities, approved by the Commissioner;</p> <p>(e) motor vehicles imported by or for the use of the President;</p> <p>(f) motor vehicles imported by or for the use of Prime Minister.</p> <p>11. The following supplies of sports gear and sports equipment are exempt for the purposes of section 18-</p> <p>(a) a passenger vehicle as shown to the satisfaction of the Commissioner to have been won abroad, or bestowed as an honorary or prize to a sports personality; and</p> <p>(b) a supply of a cup, medal, shield, or similar trophy, which is shown to the satisfaction of the Commissioner not to be of general utility, not bearing any advertisement, not imported or stocked for the purpose of trade, imported for the purpose of bestowal as an honorary distinction or prize, either won abroad or awarded by a donor resident abroad.</p> <p>12. Exempted for the purposes of section 18 are a supply of machinery or equipment for generating electricity from renewable sources (including solar panels, solar lamps, solar generators, solar cookers, solar water heaters), power inverters, water turbines wind turbines, energy efficient lighting.</p> <p>13. The following supplies of transportation and travel are exempt for the</p>
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	<p>purposes of section 18-</p> <ul style="list-style-type: none">(a) bicycles;(b) river and land crossing services subject to the signing of an agreement between the provider of the service and the Government; and(c) services of transporting passengers or goods by air from one place in Guyana to another place in Guyana subject to the signing of an agreement between the Government and the provider of the service for persons living in rural areas. <p>14. The following are exempt for the purposes of section 18-</p> <ul style="list-style-type: none">(a) goods and services under an investment agreement entered into on behalf of the Government with the taxable persons with a per unit price greater than G\$200,000;(b) coins, bank notes and other monetary instruments imported by or on behalf of the Government;(c) importation of personal effects by re-migrants who qualify for exemption from custom duties under section 23 of the Customs Act;(d) goods imported for non-commercial purposes and contained in a passenger's baggage or imported in gift parcels sent by air or sea or by parcel post, of which the cost insurance and freight (CIF) value does not exceed the Guyana dollar equivalent of US\$200.00, subject to the provisions contained in Annex I of the First Schedule Part I of the Customs Act. <p>15. Exempt for the purposes of section 18 are supplies of items, as approved by the Commissioner, (excluding motor vehicles and all-</p>
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	terrain vehicles), imported or acquired for use by charitable organisations or non-governmental organisations or for free distribution to the less fortunate.
Schedule 4	by deleting “paragraph (6)”.

Made this ¹⁹ day of December 2016



Hon. Winston Jordan, MP
Minister of Finance