

**SAINT CHRISTOPHER AND NEVIS**

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**STATUTORY RULES AND ORDERS**

**No. 38 of 2011**

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**Value Added Tax Regulations, 2011**

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**IN EXERCISE** of the powers conferred upon the Minister by section 117 and other related sections of the Value Added Tax Act, No. 3 of 2010 these regulations are hereby made.

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**PART I – PRELIMINARY MATTERS**

**1. CITATION.**

These regulations may be cited as the Value Added Tax Regulations, 2011.

**2. INTERPRETATION.**

In these regulations, unless the context otherwise requires,

“Act” means the Value Added Tax Act, No. 3 of 2010;

“Comptroller” means the Comptroller of Inland Revenue appointed under section 46.(1) of the Tax Administration and Procedures Act, No. 12 of 2003;

“Customs Act” means the Customs (Control and Management) Act, Cap. 20.40;

“Minister” means the Minister responsible for the subject of Finance;

“standard-rate”, and its derivatives, means, in relation to a taxable supply, the rate specified in sections 26.(1)(a) and (c) of the Act;

“value added tax (VAT)” or “tax” means the tax imposed under the Act and includes any amount to the extent that it is treated as tax for the purposes of the Act.

**PART II – APPROVED ORGANISATIONS**

(Section 2 of the Act)

**3. APPROVED CHARITABLE ORGANISATIONS.**

An approved charitable organisation, within the meaning of section 2 of the Act, means an organisation which satisfies all of the following requirements:

- (a) it is organised exclusively to carry out, and in fact carries out, religious, educational, relief of poverty, charitable, social welfare, civic improvement or other similar activities in the public interest;
- (b) it is not organised for profit;

- (c) no part of its income or assets may inure to the benefit of any person except as an incident of the carrying out of its activities described in paragraph (a);
- (d) it is not involved in partisan political activities;
- (e) no more than 50% of the funds it receives have come from one person or organisation, or from a group or organisation that do not deal with each other at arm's length;
- (f) it disburses annually more than 50% of contributions received towards the attainment of its activity in accordance with paragraph (a);
- (g) it does not make its distribution quota in (f) above by the exchange of gifts between other approved charities, persons, organisation or other legal persons;
- (h) it is in compliance with any other rules and regulations under the Act that relate to an approved charitable organisation; and
- (i) it is resident in the Federation during the tax year.

#### **4. APPROVED RELIGIOUS ORGANISATION.**

An approved religious organisation, within the meaning of section 2 of the Act, means an organisation which is a church or other religious organisation or an institute of religious worship which is

- (a) registered with the Ministry responsible for ecclesiastical affairs to perform specified ceremonies; or
- (b) incorporated as such by an Act of Parliament.

### **PART III – PROVISIONS RELATING TO CONTAINERS**

**(Section 2 of the Act)**

#### **5. RETURNABLE CONTAINER.**

(1) For the purposes of section 2 of the Act, a returnable container means a container that was supplied for a consideration (a deposit), under an arrangement that the container, if in a suitable condition, shall be returned and the deposit refunded.

(2) A container, referred to in sub-regulation (1) includes the following:

- (a) heavy-duty containers for industrial application;
- (b) oil drums;
- (c) gas cylinders;
- (d) pallet containers;
- (e) shipping and protective storage bins;
- (f) other containers and conditions related to the above containers, as may be provided by the Comptroller.

## **PART IV – TRANSACTIONS THAT CONSTITUTE A SUPPLY**

**(Section 4.(25) of the Act)**

### **6. SUPPLY OF GOODS OR RENDITION OF SERVICES.**

(1) Pursuant to the provisions of section 4.(25) of the Act, this regulation makes provision for the treatment of a specific transaction as either a supply of goods or the rendition of services, or as neither a supply of goods nor a rendition of services.

(2) Sub-regulations (3), (4), and (5) make provision for the treatment of goods or services supplied to employees.

(3) A supply of goods or services in kind by an employer to an employee for personal use under section 4.(7) of the Act shall be a taxable supply for consideration, even if the employee does not pay (or pays less than market value) for the goods or services.

(4) Where an employer is not entitled to deduct input tax imposed and paid on the purchase of goods or services, the application of those items in kind to an employee, pursuant to the provisions of section 4.(18) of the Act, shall not be a supply subject to tax.

(5) Where an employer supplies an exempt service to an employee, the supply by the employer shall not be a taxable service.

(6) For the purposes of section 4 of the Act, where two or more things, whether goods, services, or both are combined to form the subject matter of a single supply, and the value added tax treatment of each would be different if they were not combined, whether the supply should be treated as a single supply or as two or more separate supplies, the supply shall be determined as follows:

- (a) if,
  - (i) one part of the supply, referred to as the subsidiary part, is ancillary or incidental to another part of the supply, referred to as the dominant part; and
  - (ii) looked at objectively, the subsidiary part does not constitute an object in itself for the recipient, but is merely a means of better enjoying the dominant part, or is something necessarily supplied as an integral part of the dominant part;

then the subsidiary part shall be treated as part of the dominant part, and has the same value added tax treatment as the dominant part;

- (b) paragraph (a) may, if appropriate, be applied in iterative steps in respect of each thing supplied, so as to determine the true character of the supply and the extent, if any, to which it should be treated as two or more separate supplies.

(7) If a single supply consists of more than one part, but the parts could not be separately supplied, sub-regulation (7) applies as if the parts were capable of being separately supplied.

(8) For the purpose of working out the value of each supply, the consideration for a single supply that is treated as two or more separate supplies because of sub-regulation (7) or (8), should be apportioned between each separate supply in such a way, as to provide a true reflection of the value to the recipient of each such supply.

(9) The way in which the supplier and the recipient agreed to apportion the consideration may be considered in determining the value of a supply in accordance with sub-regulation (9), but shall not be taken to be conclusive.

(10) Section 4.(18) of the Act shall not apply if the taxable person did not pay value added tax on the acquisition of the item covered in sub-regulation (4) of this regulation, such as an acquisition before the effective date of the tax, or an acquisition of second hand goods from an unregistered person.

(11) Where a registered taxpayer receives an amount of money by way of reimbursement, recovery or otherwise in respect of goods or services acquired by him or her for the purpose of making taxable supplies, he or she shall be deemed to have made a taxable supply, and that amount of money shall be deemed to be the consideration for that supply.

## **PART V – EXCHANGE OF INFORMATION**

(Section 8 of the Act)

### **7. EXCHANGE OF INFORMATION.**

(1) This regulation applies for purposes of section 8 of the Act.

(2) The Customs and Excise Department and Inland Revenue Department of the Ministry of Finance may, in order to facilitate the efficient management of taxes and taxpayer compliance, enter into a Memorandum of Understanding which, except as expressly provided under section 8 of the Act, shall govern the type of information which may be exchanged and the circumstances in which such information may be exchanged.

## **PART VI – PRESCRIBED PROFESSIONAL SERVICES**

(Section 12.(16)(b) of the Act)

### **8. PRESCRIBED PROFESSIONAL SERVICES UNDER SECTION 12.(16)(B) OF THE ACT.**

For the purposes of section 12.(16)(b) of the Act, the prescribed professional services are the services set out in the First Schedule to these regulations.

## **PART VII – REDUCED RATES ON SPECIFIED SERVICES**

(Section 26.(1)(d) of the Act)

### **9. REDUCED RATE ON SPECIFIED ACCOMMODATIONS.**

(1) For the purposes of section 26.(1)(d)(i) and (ii) of the Act and subject to this regulation, a taxable person shall only qualify for the reduced rate under that section on the supply of accommodations

- (a) by a hotel, guest house, inn, or similar establishment; and
- (b) in an apartment or room when the taxable person provides utilities or furnishings, but not if provided in a private home.

(2) The reduced rate on accommodations shall only apply to a taxable supply by a registered person in Saint Christopher and Nevis.

(3) For the purposes of section 26.(1)(d)(i) of the Act, a similar establishment is an establishment that provides sleeping accommodation facilities for individuals for overnight or short-term stays of less than a month.

(4) For the purposes of sub-regulation (3), where, in rare circumstances, a guest stays more than a month, the establishment shall not thereby fail to be considered a similar establishment.

(5) For the purposes of section 26.(1)(d)(ii) of the Act, the reduced rate applies to accommodations leased for a month or more where the lessor provides utilities or furnishings.

(6) For the purposes of sub-regulation (5), the reduced rate applies to accommodations supplied to students while they pursue approved courses of study, including accommodations provided by a hotel.

(7) For the purposes of section 26.(1)(d)(ii), a private home is the residence of the lessor, but only if the home is a single family dwelling.

(8) The reduced rate for accommodations applies to accommodations provided for the occupants to sleep or rest, except that the reduced rate shall not apply to accommodations provided predominantly for commercial use, such as for business meetings or merchandise displays, even if the occupants sleep there.

(9) The reduced rate shall apply to breakfast or brunch that is included in the qualifying establishment's daily room rate.

(10) The reduced rate shall not apply to services rendered outside the qualifying room or suite.

(11) The reduced rate shall not apply to non-qualifying services rendered in a qualifying room or suite, for which there is commonly a separate charge imposed, such as internet access, even if qualifying and non-qualifying services are bundled into a single charge.

(12) For the purposes of sub-regulation (11), if a qualifying establishment bundles qualifying and non-qualifying services, the services shall be apportioned in relation to the fair market value of each.

(13) The apportionment provided for under sub-regulation (12) shall not be required if the value of the non-qualifying services does not exceed 10 percent of the value of accommodation services.

#### **10. REDUCED RATE ON SPECIFIED SERVICES BY A TOUR OPERATOR.**

(1) For the purposes of section 26.(1)(d)(iii) of the Act, a tour operator shall only qualify for the reduced rate under that section on supplies made by the tour operator in accordance with the provisions of this regulation.

(2) The reduced rate, referred to under this regulation, shall apply to

- (a) a taxi or tour bus operator with a current permit that is in effect and issued by the Saint Christopher Tourism Authority and Nevis Tourism Authority;
- (b) an operator of a qualified tour by rail, water, mountain hike, bike scooter, and other modes of transport;
- (c) qualified services rendered by an operator covered in paragraphs (a) and (b) directly to a client or to another such operator.

(3) The reduced rate shall not apply to supplies not directly related to the tour, such as charges

- (a) for transportation to Saint Christopher and Nevis, and
- (b) by the hotel or other accommodation provider in Saint Christopher and Nevis that are not subject to the 10 percent rate under section 26.(1)(d)(i) of the Act.

(4) The Comptroller may determine whether an operator of a tour, other than a taxi or tour bus operator, is qualified to be a tour operator for the purposes of this regulation.

#### **11. REDUCED RATE ON SPECIFIED SUPPLIES BY A RESTAURANT.**

(1) For the purposes of section 26.(1)(d)(iv) of the Act, a restaurant shall only qualify for the reduced rate under that section on supplies made by it if the provisions of this regulation are complied with.

(2) The reduced rate referred to under this regulation shall apply to qualified charges by a licensed restaurant.

(3) Qualified charges include

- (a) charges for fully-prepared food, (including beverages) ready for immediate consumption without additional preparation, supplied for consumption on the restaurant, hotel, or catering premises;
- (b) food and beverages provided by a hotel in its restaurant, a guest's room, or as part of its catering services.

(4) For the purposes of this regulation, qualified charges do not include

- (a) charges for partially-prepared food, such as partially-cooked pizza.
- (b) fees charged by a licensed restaurant
  - (i) to arrange a catered party, other than as part of a business meal, at the restaurant or elsewhere;
  - (ii) for the use of all or a portion of the restaurant premises, and
  - (iii) for the supply of goods or services, other than food supplied at the licensed restaurant, such as internet services.

(5) For the purposes of this regulation, a licensed restaurant means an establishment that satisfies all of the following conditions:

- (a) a retail establishment whose business is the sale of food for immediate consumption;
- (b) the establishment has a minimum seating capacity for diners of ten persons;
- (c) the establishment is located in premises the proprietor of which is required to obtain a restaurant licence under the Liquor Licences Act, Cap. 18.21 or under the Licences on Businesses and Occupations Act, Cap. 18.20, or both, or under any other Act.

(6) For the purposes of sub-regulation (5), the establishments that may satisfy the conditions set out in sub-regulation (5), include, but are not limited to, the following:

- (a) a hotel, guest house, inn, or similar establishment within the meaning of sub-regulation (1) of this regulation, except that it does not apply to accommodations specified in regulation 9.(5);
- (b) full-service restaurants, including those within department stores, but not including those whose major business is the sale of food through a drive-up window; and
- (c) college cafeterias open to the general public, and employee cafeterias.

(7) The following establishments, even if they sell food, are establishments which are not considered restaurants for the purposes of this regulation:

- (a) movie theatres;
- (b) food concessions in supermarkets and shopping malls;
- (c) pizza and other establishments whose major business is the delivery of fully-prepared food, and restaurants and hotels that deliver fully-prepared food off-site;
- (d) establishments whose primary sale of food consist of prepackaged food; and
- (e) establishments primarily selling fuel or other products.

## **PART VIII – DETERMINATION OF VALUE IN SPECIFIED CASES**

(Section 37.(20))

### **12. VALUE OF SUPPLY.**

(1) For the purposes of section 37.(20) of the Act, where a portion of goods or services are applied to a different use the following rules shall determine the value of such goods or services.

(2) Where a portion of goods or services acquired for use in a taxable activity is applied to a different use, according to section 4.(7) and subject to sections 4.(18) and 4.(22), the portion applied to a different use, at the time it is so applied, is a supply in the course or furtherance of that taxable activity.

(3) The value of a supply under this regulation is the value of the portion of the goods or services applied to a different use.

(4) For purposes of this regulation, calculated as a percentage of the goods or services applied to a different use, the value of the supply is the lesser of the following:

- (a) the portion of the original cost of the goods or services applied to a different use; or
- (b) the portion of the current fair market value of the goods or services applied to a different use.

(5) A registered person shall use the value referred to in sub-regulation (4)(a), unless the person has documentary proof of the current fair market value referred to in sub-regulation (4)(b).

(6) The Comptroller may provide for a different allocation where he or she determines that the allocation rule in this regulation does not reach a reasonable result.

### **13. ISSUANCE OF PHONE CARDS, PREPAYMENT ON CELLULAR PHONES ETC.**

(1) For the purposes of sections 4.(21) and 37.(19) of the Act, the following rules shall be used to determine the value of supply of goods or services referred to in section 4.(21) of the Act.

(2) When a registered person regularly sells goods or services to unregistered resellers at a discount to the retail price, or to the stated value on coupons, cards, or vouchers, for purposes of the valuation rules under section 37.(19) of the Act, the consideration for the goods or services sold to the resellers shall be the retail price or stated value.

(3) For the purposes of sub-regulation (2), if a registered telephone, cable, or other service provider, or registered reseller sells prepaid cards to an unregistered reseller at a discount from the tax-exclusive stated value on the card, and the tax on the supply is accounted for separately from the stated value, the value of the supply shall be the stated value on the prepaid card that can be used to obtain the service.

(4) If, for purposes of this regulation, the supply of a prepaid card does not account for tax separately, then the value of the supply shall be the price reduced by an amount equal to the tax fraction multiplied by that price as provided by section 37.(2) of the Act.

(5) If, in a supply referred to under sub-regulation (4),

- (a) a prepaid card's stated value is one hundred and seventeen dollars;
- (b) the card does not state tax separately; and
- (c) the card is sold to an unregistered reseller for ninety two dollars;

the value of the supply of the prepaid card by the registered service provider or registered reseller is \$117, reduced by  $(17/117 \times 117)$ , or \$100.

### **14. INFORMATION TO BE CONTAINED IN TAX INVOICES, SALES RECEIPTS, TAX CREDIT NOTES, AND TAX DEBIT NOTES.**

(1) For the purposes of sections 43 and 44 of the Act, if a person is required to issue a particular document, being a tax invoice, sales receipt, tax credit note, or tax debit note, the document shall contain the information specified in Schedule 2 to these regulations for that type of document.

(2) For the purposes of section 43.(2), a sales receipt may be issued in lieu of a tax invoice if the total consideration for the sale reported on the sales receipt is payable in cash and does not exceed fifty dollars.

## **PART IX – EXCESS CREDITS AND REFUNDS**

(Sections 61 and 63 of the Act)

### **15. DOCUMENTARY PROOF OF EXCESS CREDITS.**

(1) For the purposes of section 61.(8) of the Act, the documentary proof necessary to support a person's claim for a refund of tax paid in excess of the amount properly charged under the Act shall include the following:

- (a) the tax invoices, tax credit notes, and tax debit notes issued in the transactions giving rise to the claim; and

- (b) records that explain the essential features of the transactions and why they relate to the excess amount for the purposes of this regulation.

(2) The responsibility shall be on the person claiming a refund to obtain and have in his or her possession the required documentary proof.

#### **16. PROCEDURE FOR CLAIM OF REFUND E.T.C.**

(1) For the purposes of section 63 of the Act, a taxable person who qualifies for refund of tax under that section shall follow the procedure and satisfy the requirements set out in this regulation.

(2) In this Regulation:

“mission” shall be construed as meaning any Embassy or High Commission;

“eligible staff members of a diplomatic mission” means the principal diplomat of the mission;

“Head of mission” means the person charged by the sending State with the duty of acting in that capacity;

“Head of Agency,” in the case of an international or regional organisation or agency, means a person acting in the capacity of head of the organisation or agency in Saint Christopher and Nevis; and

“international agency” means an agency as defined in the International Organisations and Overseas Countries (Immunities and Privileges) Act, Cap. 6.03.

(3) The missions or international agencies, including their eligible staff, as defined in regulation 2, are eligible for claiming refund under this regulation and section 63.(1) of the Act.

(4) The entitlement to refunds under section 63.(1) of the Act shall, in case of a mission, only be allowed in respect of the following goods and services:

- (a) goods and services acquired for official receptions, dinners, or luncheons hosted at hotels and restaurants; and
- (b) furniture and equipment by the Head of Mission and staff members of the mission for official use only.

(5) An international agency referred to in sub-regulation (3) shall only be entitled to refunds for tax paid on imports or acquisitions specified by the Comptroller in consultation with the Minister and the Minister responsible for the subject of Foreign Affairs.

(6) In order for a mission or international agency to claim a refund under section 63.(1) of the Act or this regulation, the mission or international agency must

- (a) be registered for tax under section 12 of the Act; and
- (b) provide the Comptroller with a specimen of the signature of the Head of Mission or Head of Agency and a specimen of the signature of another official of the Mission or Agency who is designated to sign tax returns, the Application For Refund, and the Schedule of Purchases in the absence of the Head of Mission or Head of Agency.

(7) The Comptroller may register a diplomatic mission or an international agency under section 12 of the Act, whether or not the mission or agency is a taxable person carrying on a taxable activity and exceeding the registration limits.

(8) A mission or international agency which is registered under the Act must file an Application For Refund with the Comptroller on a monthly basis as if it were a tax return in accordance with the Act, unless the Comptroller has, in writing, granted the Head of Mission or Head of Agency permission to lodge an Application For Refund on a different basis.

(9) The person who is responsible for lodging an Application for Refund on behalf of a registered mission or international agency is,

- (a) in the case of refunds claimed by a mission, or any members of the mission or consular service and family members forming part of their household who are entitled to refunds under an international assistance agreement, the Head of Mission or a delegate of that person approved by the Comptroller; or
- (b) in the case of refunds claimed by an international agency, the Head of the Agency or a delegate of that person approved by the Comptroller.

(10) An application for refund lodged on behalf of a registered mission or international agency shall be accompanied by the following:

- (a) supporting documentation establishing the amount of tax paid in relation to the acquisitions or imports by the person entitled to the refunds and the reason that it is allowed under sub-regulation (4) of this regulation, being
- (b) for taxable acquisitions, an original valid tax invoice or other evidence which, to the satisfaction of the Comptroller, evidences that the supply was a taxable supply and the amount of tax included in the price of the supply, and also evidences that the person claiming to be entitled to the refund made the acquisition and paid the consideration for the acquisition; or
- (c) for taxable imports, customs entry documentation or other evidence showing both the amount of tax paid to the Comptroller of Customs and the identity of the person by whom it was paid; and
- (d) a Schedule of Purchases in the form prescribed by the Comptroller.

(11) The procedures to be followed by missions or international agencies claiming refunds under this regulation and section 63.(1) of the Act are as follows:

- (a) subject to sub-regulation (8), at the end of each tax period, all tax invoices or other supporting documentation must be categorized according to claimant such as a mission, individual eligible staff member;
- (b) the tax invoice or supporting documentation must show the tax identification number of the mission or agency and/or the customer's diplomatic identification card number;
- (c) the Schedule of Purchases in the form prescribed by the Comptroller must be completed using the information on the tax invoice or other supporting documentation;

- (d) the Schedule of Purchases must be totaled and attached to the tax return along with the supporting documentation, which must be attached in the same order as it appears on the Schedule of Purchases;
- (e) both the Application For Refund and the Schedule of Purchases must be signed by the Head of Mission or Head of Agency, or by an officer duly authorised for that purpose and approved by the Comptroller, and whose specimen signature has been lodged with the Comptroller.

(12) If the Comptroller is satisfied that the Application For Refund and the Schedule of Purchases covered by this regulation are correct, he or she shall, within one calendar month of receiving them, issue a refund to the mission or international organisation by way of cheque and, where relevant, the mission or agency is responsible for distributing the refunds to the claimants.

(13) If the Comptroller is not satisfied that the Application For Refund and the Schedule of Purchases are correct, he or she shall

- (a) notify the Head of Mission or Head of Agency in writing, specifying the reasons why; and
- (b) issue a refund in accordance with sub-regulation (12) for that part, if any, of the return and request for refund that he or she is satisfied is correct.

## **PART X – RECORDS TO BE MAINTAINED**

(Section 79 of the Act)

### **17. RECORDS TO BE MAINTAINED.**

(1) For the purposes of section 79.(1)(f) of the Act, a taxable person shall, in addition to the records required to be kept by the taxable person under that section, maintain, in English, all records necessary to explain and show the calculation of their output tax, input tax, and net amount of tax payable for each tax period.

(2) Without prejudice to the generality of sub-regulation (1), such records shall include, but not limited to, the following:

- (a) tax accounts;
- (b) purchases and sales ledgers;
- (c) invoices, whether or not they are tax invoices, for acquisitions made by the person;
- (d) copies of invoices, whether or not they are tax invoices, issued for supplies made by the person;
- (e) records of any tax invoices for which the recipient of the supply requested a copy to be issued;
- (f) tax debit notes and tax credit notes issued and received;
- (g) income and expense accounts;
- (h) till rolls, audit rolls and tapes;
- (i) bank statements;

- (j) records relating to the supply of goods or services to officers, directors, and employees, whether or not the supplies were made for consideration; and
- (k) any other records related to the taxable activity, such as bookings, diaries, correspondence, computer print-outs, audit reports, contracts, or any other accounts, reports or records in any way related to the person's taxable activity.

(3) In the case of persons who are required to be registered as a result of exceeding the threshold requirements in respect of taxable supplies, such persons shall maintain their records by electronic means by use of, but not limited to, the following:

- (a) electronic tills or point of sale systems as approved by the Comptroller; and
- (b) computerized accounting systems as evidence of their records or otherwise as approved by the Comptroller.

(4) A registered taxpayer shall keep a record of all taxable supplies which are given as gifts or transferred to his or her personal use, and such records shall contain the following information:

- (a) the date the supplies were given or transferred;
- (b) a description of and quantity of the supplies; and
- (c) the cost of the supplies and the tax which would be payable thereon.

## **PART XI – MISCELLANEOUS PROVISIONS**

(Section 111 of the Act)

### **18. TAX-INCLUSIVE PRICING.**

(1) For the purposes of section 111 of the Act, where a registered person offers goods for retail sale

- (a) the person shall comply with the pricing methods set out in this regulation; and
- (b) if some of the goods are taxable at the standard rate, while others are zero-rated, not taxable, or only partly taxable, the person shall clearly indicate to customers how much tax is included in the price of the goods.

(2) For the purposes of sub-regulation (1),

- (a) if it is feasible, where goods are taxed at the standard rate, the person shall indicate on price tags, tickets, or other price marks that the price is tax-inclusive;
- (b) if it is not feasible to include the information required by paragraph (a), the person, after approval by the Comptroller, may choose some other method of identifying how goods are taxed, including
  - (i) using colour coding price tickets for taxable, zero-rated, and other supplies, or
  - (ii) by asterisking taxable supplies;

so long as a clear explanation of the method used is displayed prominently at such places as are necessary to enable customers to identify, before they enter into a transaction, whether tax has been included in the price of the goods;

- (c) in the case of supermarkets, department stores, and other stores selling directly to the public, it is sufficient for the purposes of paragraph (b) to state the total price (including any tax) on price tags, and to identify taxed items on a till receipt, by placing a distinctive mark such as an asterisk next to each taxed item and including a statement on the receipt that the marked items include tax;
- (d) the following pricing methods shall not be acceptable for price tags, tickets, price marks, or other pricing information, or for the purposes of advertising prices:
  - (i) a statement of the tax-exclusive price alone, or
  - (ii) a statement of the tax-exclusive price and a statement that the price is tax-exclusive; or
  - (iii) a statement of the tax-exclusive price and a statement that tax will be added, even if the amount of tax or the rate of tax is specified.

(3) Where a registered person (the supplier) quotes a price to another registered person (the recipient) for a supply of goods or services that would be taxable, the supplier may, if the recipient agrees, quote on the basis of the tax-exclusive value of the supply, provided that the quote clearly states that tax will be payable on the supply and states either the tax-inclusive price of the supply or the applicable rate of tax and the amount of tax that will be payable.

(4) Sub-regulation (3) does not authorise a registered person to advertise its prices exclusive of tax, irrespective of whether some or all of the likely purchasers of its goods or services would be registered persons.

(5) A registered person who supplies services shall advertise, market, and quote its prices inclusive of tax in a manner consistent with the rules for goods in sub-regulations (1) to (4).

(6) Notwithstanding anything else in this regulation, if a supply includes a number of items bundled together for a single price, some of which are taxable at the standard rate and some of which are not, any price tag, ticket, or other price mark, or any advertisement, letter, quote or other document notifying the price for which the supply is offered, shall state the amount of tax included in the price.

## **19. TRANSITIONAL PROVISIONS.**

(1) This regulation makes provision for the rules that are to govern transactions that take place during the transition from the coming into force of the value added tax and the repeal of the Consumption Tax Act, Cap. 20.02 and the Hotel Accommodation and Restaurant Tax Act, Cap. 20.20.

(2) Value added tax shall only be payable on a taxable supply or taxable import to the extent that it is made on or after the date on which value added tax came into force and, for this purpose, except as otherwise provided, the rules relating to time of supply under section 35 of the Act shall apply.

(3) A deposit made on a returnable container and paid to the person returning the container after the coming into force of value added tax shall be eligible for an input tax credit if the payment is supported by documentation required by the Comptroller.

(4) For purposes of section 124 of the Act, a contract is concluded when the parties execute the contract.

## **PART XII – EXEMPT IMPORTED GOODS**

(First Schedule to the Act)

### **20. EXEMPT IMPORTS BY LICENSED DUTY-FREE OPERATORS.**

Imports by a licensed duty-free operator shall be exempt approved imports to the extent that they meet the requirements set out in paragraph 21 of the First Schedule to the Act and are listed in Schedule 3 to these Regulations.

### **21. EXEMPT IMPORTS BY NATIONALS RETURNING HOME FOR PERMANENT RESIDENCE.**

(1) This regulation defines the scope of the exemption granted under paragraph 7 of the First Schedule to the Act for goods imported by a national who is returning home for permanent residence.

(2) For the purposes of this regulation, the exemption that is granted shall be limited to a person who

- (a) has a passport establishing Saint Christopher and Nevis nationality;
- (b) has documents which are acceptable to the Comptroller of Customs which substantiate
  - (i) residential status outside Saint Christopher and Nevis for at least the past ten years; and
  - (ii) the applicant's intention to re-establish permanent residence in Saint Christopher and Nevis; and
- (c) satisfies the conditions set out in sub-regulation (6) of this regulation.

(3) For the purposes of sub-regulation (2)(b)(i), acceptable documents may include entries in a foreign passport, an alien resident card, or a work permit accompanied by a letter from an employer abroad.

(4) For the purposes of sub-regulation (2)(b)(ii), acceptable documents may include proof of retirement, proof of ownership of a dwelling home or land in Saint Christopher and Nevis, or proof of a planned investment in Saint Christopher and Nevis.

(5) For the purposes of this regulation, a "returning national" shall be limited to one member of a family of returning nationals, and a family includes a husband, wife and their children who are under eighteen years.

(6) For the purposes of sub-regulation (2)(c), the following are the conditions to be satisfied, that is to say, the person

- (a) has attained eighteen years of age;
- (b) has been a resident outside Saint Christopher and Nevis continuously for at least ten years;
- (c) is returning permanently to Saint Christopher and Nevis;

- (d) retains ownership and use of the goods exempted from tax for the person's personal use;
- (e) does not sell, lend, hire out or otherwise dispose of any goods granted exemption under this regulation within a period of five year after re-establishing residence status in Saint Christopher and Nevis; and
- (f) has not previously received exemption from the tax under paragraph 7 of the First Schedule of the Act.

(7) For the purposes of this regulation, a returning national who satisfies the conditions set out in this regulation shall be entitled to import the following items exempt from tax under paragraph 7 of the First Schedule to the Act:

- (a) new or used household and personal effects (other than building material), including not more than one:
  - (i) television;
  - (ii) home entertainment system DVD, VCR or equivalent device;
  - (iii) stereo system;
  - (iv) refrigerator;
  - (v) cooker/stove range;
  - (vi) washing machine and dryer;
  - (vii) microwave oven;
  - (viii) freezer;
  - (ix) laptop or desktop computer and printer; and
  - (x) other items as published by the Comptroller;
- (b) one new or used motor vehicle as provided in sub-regulation (8) of this regulation.

(8) A motor vehicle referred to in sub-regulation (7)(b) shall be exempt from tax only if the vehicle was purchased in Saint Christopher and Nevis or abroad and satisfies the following conditions, that is to say,

- (a) the vehicle was purchased
  - (i) before returning to Saint Christopher and Nevis; and imported by the returning national from the country where the returning national resided immediately before returning to Saint Christopher and Nevis; or
  - (ii) from a motor vehicle dealer licensed in Saint Christopher and Nevis who sold it to the returning national directly from a Customs bonded warehouse;
- (b) in case of a vehicle
  - (i) acquired, other than by inheritance, the importer provides documentary proof (acceptable to the Comptroller of customs) that the vehicle was used by the returning national outside of Saint Christopher and Nevis, such as a bill of sale, certificate of title, foreign registration document, police certificate of registration, an insurance policy covering the vehicle, or a document confirming the prior export of the vehicle from Saint Christopher and Nevis; or

- (ii) acquired by inheritance, the importer provides documentary proof (acceptable to the Comptroller of Customs) that the vehicle was owned by the deceased abroad, such as a document listed in paragraph (b) (i), as well as a death certificate of the testator, or an authenticated document from the executor, or where the person died intestate, an authenticated document from the Administrator; and
- (c) the returning national enters into an agreement with the Comptroller of Customs that:
  - (i) the vehicle will not be sold, given away as a gift, exchanged, or otherwise disposed of within five years of entry without paying the applicable tax; and
  - (ii) for the following events or transactions occurring within five years of the date that the vehicle entered Saint Christopher and Nevis, he or she will notify the Comptroller of any disposition of the vehicle, of the person's departure from Saint Christopher and Nevis for a period of more than six months or of any transfer of the use of the vehicle if the person leaves Saint Christopher and Nevis temporarily for a period of up to six months.

(9) If a vehicle is exempt from tax under this regulation, the exemption shall not extend to the returning national's liability for any tax, duty, or any other tax, other than Value Added Tax, that may apply to the imported vehicle.

## **22. TIME LIMIT WITHIN WHICH EXEMPT IMPORTED GOODS ARE TO ENTER SAINT CHRISTOPHER AND NEVIS.**

(1) The exemption shall be limited to exempted goods that enter Saint Christopher and Nevis for Customs purposes within three months before or after the returning national arrives in Saint Christopher and Nevis.

(2) For the purposes of sub-regulation (1), the Financial Secretary may grant an extension beyond the three-month period if the application for extension is filed within the three-month period after the person's arrival in Saint Christopher and Nevis.

## **23. VIOLATION OF CONDITIONS FOR THE EXEMPTION.**

(1) Where a person imports goods and obtains an exemption from tax pursuant to the provisions of paragraph 7 of the First Schedule to the Act and these regulations, and subsequently violates any of the conditions upon which the exemption was granted, the person shall be liable for the tax equal to the tax that would have been chargeable if the violation occurred at the time of the entry of the goods into Saint Christopher and Nevis, plus interest and penalties.

(2) For the purposes of regulation 21.(6)(b), a person shall be deemed to reside outside Saint Christopher and Nevis if the person leaves Saint Christopher and Nevis for an uninterrupted period of six months.

(3) Notwithstanding sub-regulations (1) and (2), if a returning national leaves Saint Christopher and Nevis for an uninterrupted period of more than six months, then, in special circumstances, the Financial Secretary may, by notice in writing, treat the person as continuing to reside in Saint Christopher and Nevis.

(4) Where a returning national imports a vehicle which is exempted from tax under these regulations and violates any of the conditions on which the exemption is granted, the Comptroller may, in addition to the collection of any tax, interest, and penalties due with respect to the imported vehicle, seize the vehicle and, if the amount due is not paid within two months after the date of seizure, may sell the vehicle at public auction and apply the net proceeds to the tax, interest and penalties due.

#### **24. IMPORTED ARTICLES OF RELIGIOUS WORSHIP.**

For the purposes of the exemption relating to the importation of articles of religious worship under paragraph 19 of the First Schedule to the Act, the importation of musical instruments which are not an integral part of religious worship shall not be exempt from tax.

### **PART XIII - ZERO-RATED SUPPLIES**

(Second Schedule to the Act)

#### **25. DOCUMENTARY PROOF OF EXPORT OF GOODS.**

To obtain zero rating for the export of goods and related services under this Part, the exporter, at the port of exit, shall identify the goods and present documentary proof required by the Comptroller.

#### **26. ZERO-RATED FOOD ITEMS.**

(1) For the purposes of the zero-rating of the supply of specified food items under paragraph 3(2) of the Second Schedule the following provisions of this regulation shall apply.

(2) The supply of food items zero-rated under paragraph 3(2) of the Second Schedule shall be exempt from tax upon import.

(3) Zero-rated rice includes husked, milled, polished, parboiled, and broken rice.

(4) Zero-rated sugar includes raw sugar not containing added flavouring or colouring matter, except icing sugar, lactose, and maple sugar.

(5) Zero-rated flour means wheat or meslin flour.

(6) Zero-rated milk means milk or cream that is not concentrated nor containing added sugar or other sweetening matter, except milk or cream that is concentrated or containing added sugar or other sweetening matter, buttermilk, yoghurt, ice cream, cheese, and other food products containing milk or cream that is sold in non-liquid form.

#### **27. TRANSFER OF A GOING CONCERN.**

(1) For the purposes of the zero-rating of a transfer of a going concern under paragraph 5.(1) of the Second Schedule to the Act the following provisions of this regulation shall apply.

(2) For the purposes of this regulation, a going concern is an income-producing activity capable of separate operation that is in fact operational and capable of being carried on without interruption after the transfer, but not a dormant or prospective business.

(3) For the purposes of this regulation,

- (a) a transfer qualifies as a transfer of a going concern if it constitutes the entire taxable activity of the supplier that is a going concern or a portion of a taxable activity of the supplier if capable of being carried on as a going concern as required by section 4.(3) of the Act;
  - (b) a supply can be of a going concern even if the transferred business is not profitable, or is being transferred to a liquidator, receiver, trustee in bankruptcy, or other person appointed upon the insolvency of a registered person.
- (4) The supply is zero-rated only if it takes place on or after the date on which value added tax came into force.
- (5) A supply of a going concern comes within the zero-rating of paragraph 5.(1) of the Second Schedule to the Act, even if the supply is to a person with no previous interest in the business.
- (6) Zero-rating applies to a supply of an existing business that involves only a change of legal entity or form of doing business, such as from a partnership to an incorporated company.
- (7) It is not necessary for the transferee to operate the particular income-producing activity acquired, so long as it is capable of separate operation.
- (8) The supply of a vacant factory building held as an investment shall not qualify for zero-rating as the supply of a going concern.
- (9) The transfer of machinery and a factory building that have been used to manufacture shipping boxes may qualify as a supply of a going concern.
- (10) The twenty-one calendar day period within which the notice must be filed shall be determined in accordance with the provisions of section 35 of the Act which relate to the time of supply rules.

**28. CONTENTS OF NOTICE REFERRED TO IN PARAGRAPH 5.(1)(C) OF THE SECOND SCHEDULE TO THE ACT.**

- (1) The notice referred to in paragraph 5.(1)(c) of the Second Schedule to the Act shall include the following information, that is to say,
- (a) a complete list of the assets transferred;
  - (b) the market value of each asset transferred;
  - (c) the nature of the business conducted by the transferor with the transferred assets, and the business to be conducted by the transferee with the acquired assets;
  - (d) the length of time the transferor's business has been operated with the assets transferred; and
  - (e) the parties' intent to treat the transfer as a supply of a going concern under paragraph 5.(1) of the Second Schedule to the Act.
- (2) The transferor shall report any assets transferred which, if not transferred as part of a going concern, would be taxable supplies under section 4.(18) or other provisions of the Act or Regulations made under the Act.

- (3) The Comptroller may
  - (a) require additional information from the transferor or transferee, or both; or
  - (b) waive the requirement to value individual assets of nominal value.

## **29. SUPPLY UPON CANCELLATION OF TRANSFEROR'S REGISTRATION.**

If the transferor cancels its registration as part of the transfer of a going concern, then in accordance with the provisions of section 23 of the Act the goods which are not transferred as part of the going concern shall generally constitute a supply of the goods by the transferor at their market values, except that this regulation shall not apply to goods in respect of which the transferor has not been allowed an input tax deduction under the provisions of section 39 of the Act.

## **PART XIV - EXEMPT SUPPLIES**

(Third Schedule to the Act)

## **30. TRANSFER OF A DWELLING WHICH IS SUBJECT TO STAMP DUTY.**

(1) For purposes of the exemption granted under the provisions of paragraphs 2 and 5 of the Third Schedule to the Act in respect to a transfer of real property, including land, attributable to a dwelling which is subject to stamp duty the exemption shall apply only where

- (a) the stamp duty on the transfer is paid; and
- (b) proof of payment is provided;

by the date of the closing of the sale.

(2) If, after the closing of the transfer covered by this regulation, the person acquiring the property pays the stamp duty, the tax paid or payable on the transfer shall not be refundable.

(3) A sale of real property by Crown Grant shall be exempt from tax, even if the sale is exempt from stamp duty.

## **31. PHONES DESIGNED FOR THE BLIND.**

For the purposes of the exemption granted under the provisions of paragraph 13(e) of the Third Schedule to the Act in respect to phones designed for the blind, the exemption shall apply to the supply of a phone that is specifically designed for use by persons who are blind, even if such phone can be used by sighted persons.

## **32. ELECTRICITY EXEMPTION.**

For the purposes of the exemption granted under the provisions of paragraph 15 of the Third Schedule to the Act in respect to electricity provided, the exemption shall apply to the total consideration charged for electrical energy supplied.

## **33. EXEMPT MEDICINES FOR CHRONIC DISEASES.**

For the purposes of the exemption granted under the provisions of paragraph 16 of the Third Schedule to the Act in respect to the supply of medicines for chronic diseases, the exemption shall apply to the medicines set out in Schedule 4 to these regulations.

### **34. BASIC CONSTRUCTION SERVICES ON A DWELLING.**

For the purposes of the exemption granted under the provisions of paragraph 24 of the Third Schedule to the Act in respect to the supply of basic construction services on a dwelling, the exemption shall apply only to a dwelling as defined in paragraph 1 of the Third Schedule to the Act, and if such dwelling has been approved as a residential property by the Development Control and Planning Board in Saint Kitts, or by the Department of Physical Planning in Nevis.

### **35. OUTBOARD AND INBOARD ENGINES.**

For the purposes of paragraph 27 of the Third Schedule to the Act in respect to fishing inputs, outboard engines of up to 150 horsepower, and inboard engines of up to 350 horsepower shall be exempt from tax.

## **PART XV – SPECIFIC EXEMPTIONS**

(Section 117.(3) of the Act)

### **Temporary Exemptions**

### **36. EXEMPTION OF VAT ON SUPPLIES MADE BY TOUR OPERATORS.**

Tour operators are hereby exempted from the collection of VAT of 10% imposed by section 26.(1)(d)(iii) of the Act from the date VAT was imposed until 31<sup>st</sup> October, 2013.

### **37. EXEMPTION OF VAT ON DESTINATION MANAGEMENT COMPANIES.**

(1) For purposes of section 26.(1)(d)(iii), Destination Management Companies are hereby classified as tour operators.

(2) Tour operators referred to in sub-regulation (1) are hereby exempted from the collection of VAT of 10% imposed by section 26.(1)(d)(iii) of the Act from the date VAT was imposed until 31<sup>st</sup> October, 2013.

### **38. EXEMPTION OF VAT ON ADVANCE HOTEL BOOKINGS.**

Contracts which were concluded in relation to hotel bookings before the coming into force of the Act are hereby exempted from the collection of VAT, provided that the exemption expires on 31<sup>st</sup> October, 2011.

### **39. EXEMPTION OF VAT ON CONSTRUCTION CONTRACTS.**

(1) Exemption of VAT on supply of services by a contractor in relation to a construction contract shall not attract VAT, provided that this exemption shall expire on 30<sup>th</sup> April, 2012.

(2) For the purposes of this regulation, where the main contractor sub-contracts any service in relation to the construction contract, then the sub-contracted service shall attract VAT.

### **40. EXEMPTION OF VAT ON CONSTRUCTION CONTRACTS AND INPUTS.**

(1) A person who imports capital goods may be exempt from the payment of VAT on such goods to the extent provided in this regulation, and if the following conditions are satisfied before the importation of the goods, that is to say,

- (a) the person has a valid licence under the Hotel Aid Act, Cap. 18.17, the Fiscal Incentives Act, Cap. 20.14, the Businesses and Occupations Act, Cap. 18.20, or any other enactment;
- (b) the Financial Secretary approves a Master List of the capital goods that are eligible for exemption;
- (c) the goods are consigned directly to the person approved to import the capital goods;
- (d) the capital goods eligible for the exemption are to be used by the person who was approved to import the same; and
- (e) the person approved to import the capital goods has complied with his or her obligations under the laws relating to tax administered by the Ministry of Finance.

(2) A supply of the following construction inputs shall be exempt from the payment of VAT, that is to say,

- (a) concrete blocks;
- (b) cement; and
- (c) ready mix concrete.

(3) The exemptions referred to in sub-regulations (1) and (2) shall expire on 30<sup>th</sup> April, 2012.

#### **PERMANENT EXEMPTION**

#### **41. EXEMPTION OF VAT ON SELECTED FEES CHARGED BY FINANCIAL AND NON-BANKING SECTOR.**

(1) The fees related to a financial clearing system that may be part of the settlement process under the Eastern Caribbean Central Bank Agreement shall be exempt from the payment of tax.

(2) The fees referred to in sub-regulation (1) are the following:

- (a) credit card processing fees;
- (b) merchant discount fees; and
- (c) commitment fees or other processing fees related to issuing a loan or line of credit.

#### **42. EXEMPTION OF VAT ON SERVICE CHARGE.**

(1) Subject to the provisions of this regulation, service charge charged by hotels and restaurants shall be exempt from tax.

(2) The service charge shall only be exempt from tax if 75% of the charge collected during the tax period is paid to the workers within that period.

(3) The Comptroller shall ensure that the provisions of sub-regulation (2) are implemented.

(4) A taxpayer who contravenes the provisions of sub-regulation (2) shall be liable to pay the tax on the service charge collected plus interest and to a fine not exceeding ten thousand dollars.

**SCHEDULES**

**SCHEDULE 1 TO THE REGULATIONS**

(Reg. 8)

**Prescribed professional services pursuant to the provisions of  
section 12.(16)(b) of the Act**

**Services provided by the following:**

1. Accountants
2. Actuaries
3. Acupuncturists
4. Advisors
5. Advocates
6. Aestheticians
7. Appraisers
8. Architects
9. Athletes
10. Athletic Trainers
11. Auctioneers
12. Audiologist
13. Barbers
14. Beauticians
15. Chemists
16. Chiropractors
17. Consultants
18. Contractors
19. Cosmetologists
20. Counselors
21. Custodial engineers
22. Custom brokers
23. Dental Assistants
24. Dental Hygienists
25. Dentist
26. Dieticians
27. Electricians
28. Electrologist
29. Embalmers
30. Engineers
31. Entertainers
32. Financial Analysts
33. Foresters
34. Funeral Practitioners
35. Geologists
36. Hairdressers
37. Health Care Providers
38. Home Repair Service Providers

39. Interior Designers
40. Interpreters
41. Land Sales Developer
42. Landscape Architecture
43. Lawyers
44. Librarians
45. Massage therapists
46. Mechanics
47. Naturopathic Doctors
48. Nurse Practitioners
49. Nurses
50. Nursing Home Administrators
51. Occupational therapists
52. Occupational therapy Assistants
53. Optometrists
54. Orthodontist
55. Osteopath
56. Painters
57. Pharmacists
58. Physical Therapists
59. Physicians
60. Physicians (MD)
61. Pilots
62. Plumbers
63. Podiatrist
64. Professional fundraisers
65. Professional Planner
66. Professors
67. Promoters
68. Psychologists
69. Radiologic technicians
70. Real Estate Appraisers
71. Real Estate Professionals
72. Respiratory Care Practitioners
73. Salesmen
74. Scientists
75. Social Workers
76. Speech-Language Pathologists
77. Stock Brokers
78. Surveyors
79. Teachers
80. Technicians
81. Timeshare Developers
82. Timeshare Sales Agent
83. Transient Sellers
84. Translators
85. Veterinarians
86. Any other provider of professional services as may be determined by the Comptroller

87. Any provider of professional services designated by an Act of Parliament

## **SCHEDULE 2 TO THE REGULATIONS**

**[Reg. 14]**

### **Information to be contained in tax invoices, sales receipts, tax credit notes, and tax debit notes**

1. Except as the Comptroller may otherwise allow, where section 43 of the Act requires a registered supplier to issue a value added tax invoice, the invoice, which shall be pre-numbered, shall contain the following particulars:

- (a) the full name of both the registered person making the supply and the purchaser, and the registered person's trade name, if different from the legal name;
- (b) the taxpayer identification number of the registered person and the purchaser;
- (c) the description (including the number) of the goods delivered or the services rendered;
- (d) the consideration for the taxable supply and any other supply;
- (e) the tax due on the taxable supply;
- (f) the issue date of the tax invoice; and
- (g) total of consideration and tax.

2. Except as the Comptroller may otherwise allow, where section 43 provides that a registered supplier may issue a sales receipt in lieu of a tax invoice for a taxable supply to a registered recipient, the sales receipt shall contain the following particulars:

- (a) the full name of the registered person making the supply, and the registered person's trade name, if different from the legal name;
- (b) the registered person's taxpayer identification number;
- (c) the description sufficient to identify the goods delivered or services rendered;
- (d) the consideration for the taxable supply and any other supply;
- (e) the tax due on the taxable supply;
- (f) the issue date of the sales invoice; and
- (g) the total consideration and tax.

3. Except as the Comptroller may otherwise allow, where a registered supplier under section 43.(7) of the Act makes a taxable supply to a person who is not registered, the registered supplier shall issue a sales receipt that contains the particulars specified in paragraph 2 of this Schedule.

4. Except as the Comptroller may otherwise allow, where section 44 of the Act requires a taxable person to issue a tax credit note, the tax credit note, which shall be pre-numbered, shall contain at least the following particulars:

- (a) the words "tax credit note" shall appear in a prominent place;
- (b) the name, address, and taxpayer identification number of the registered person making the supply;

- (c) the name, address, and taxpayer identification number of the recipient of the supply;
- (d) the date on which the tax credit note was issued;
- (e) the value of the taxable supply shown on the tax invoice, the adjusted value of the taxable supply, the difference between those two amounts, and the tax charged that relates to that difference;
- (f) a brief explanation of why the tax credit note is being issued; and
- (g) information sufficient to identify the taxable supply to which the tax credit note relates.

(5) Except as the Comptroller may otherwise allow, where section 44 of the Act requires a registered person to issue a tax debit note, the tax debit note, which shall be pre-numbered, shall contain at least the following particulars:

- (a) the words “tax debit note” shall appear in a prominent place;
- (b) the name, address, and taxpayer identification number of the registered person making the supply;
- (c) the name, address, and taxpayer identification number of the recipient of the supply;
- (d) the date on which the tax debit note was issued;
- (e) the value of the taxable supply shown on the tax invoice, the correct amount of the value of the taxable supply, the difference between those two amounts, and the tax charged that relates to that difference;
- (f) a brief explanation of why the tax debit note is being issued; and
- (g) information sufficient to identify the taxable supply to which the tax debit note relates.

(6) Where a registered taxpayer uses any goods which form part of the stock of his or her taxable activity for his or her personal or for any other business carried on by him or her, he or she shall prepare a document containing the information specified in paragraph 1 of this Schedule.

(7) The taxpayer referred to in paragraph (5) shall retain the document referred to in that paragraph in his or her records, and shall mark across the face of that document the words “PERSONAL USE”.

### **SCHEDULE 3 TO THE REGULATIONS**

**(Reg. 20 )**

#### **Approved Imports by licensed duty-free Operators**

##### **Part I – Class A License**

1. Portable electronic devices including portable radios, compact disc (CD) players, cassette players, mp3 players, video games, digital cameras, video cameras but excluding cell phones.

2. Bags, cases, wallets, belts and similar accessories made from leather or a mixture of leather with other material, provided that the leather content should not be less than 50%.

3. Any Kipling, Tommy Bahama, Tori Richards, Nat Nast, Pineapple Moon, Quick Silver, Roxy Sportswear, Line Two, Weekend Traffic, Line Up for Sport, Traffic Jammies, Weekend Clothes Line, Pepe and LAND brand products.
4. Shoes of a minimum free on board (FOB) value of US \$50.00 (including brands that appear in paragraph 3).
5. Chinaware, stoneware and porcelain.
6. Clothing of Linen and Silk including accessories such as ties, scarves, containing not less than 80% linen and/or silk.
7. Cologne, body fragrances, eau de toilette and perfumes of a minimum free on board (FOB) value of US \$5.00.
8. Fragrance items including hand milled soaps and lotions.
9. Skin care products. (gift packaged in boxes or bags).
10. Articles of Crystal.
11. Costume jewelry (gift packaged in boxes or bags) of a minimum free on board (FOB) value of US \$10.00.
12. Jewelry of precious metals including platinum, gold, silver, silver-plated and gold-plated, with or without gemstones or semi-precious stones (Class "A" Licence holder only).
13. Table linen including table cloths, napkins, runners of linen, cotton or mixture of both whose linen content must be at least 75%.
14. Watches of a minimum free on board (FOB) value of US \$30.00.
15. Beach wear including swimsuit (male and female), beach wraps, beach towels, sandals, goggles, earplugs, swim caps.
16. Handcrafted items made of natural material: shell, bamboo, leaves, straw, sand, wood, pottery, clay, calabash.
17. Golf clubs, balls and gloves.
18. Souvenirs of Saint Christopher and Nevis.
19. T-Shirts, polo shirts, sleeveless-shirts, pants and skirts bearing the name Saint Christopher and Nevis.
20. Any national flags, banners, patches, stickers and maps of Saint Christopher and Nevis.
21. Sweaters and similar knit wear of a minimum free on board (FOB) value of US \$20.00.
22. Music compact discs (CDs) which are (a) produced in the Caribbean and (b) by or of Caribbean artists even if these may be recorded and manufactured elsewhere.
23. Items made from hand processed fabrics, hand embroidered, hand painted, screen printed, batik and tie dye and, tropical island style shirts which cannot be worn with a tie and not a t-shirt.
24. Pictures, postcards, wall hangings – batik, bearing Saint Christopher and Nevis and Caribbean scenes.
25. Store packaging material which must bear the name of the store and location in Saint Christopher and Nevis.

## **Part II - Class B License**

1. Liquor
2. Tobacco

# **SCHEDULE 4 TO THE REGULATIONS**

(Reg. 33)

## **Exempt Chronic Disease Medicines**

<b>CHRONIC ILLNESS</b>	<b>BRAND</b>	<b>STRENGTH</b>	<b>TABLETS</b>
Anti-Neoplastic Agents (Cancer)	Azathioprine	50 mg	Tablet
Anti-Neoplastic Agents (Cancer)	Busulphan	2mg	Tablet
Anti-Neoplastic Agents (Cancer)	Chlorambucil	2 mg	Tablet
Anti-Neoplastic Agents (Cancer)	Cisplatin	1mg/ml	Injection
Anti-Neoplastic Agents (Cancer)	Cisplatin (Platinum)	50 mg	Injection
Anti-Neoplastic Agents (Cancer)	Cyclophosphamide	1g, 200mg 50mg	Injection/Tablet
Anti-Neoplastic Agents (Cancer)	Cyproterone	Acetate	50 mg Tablet
Anti-Neoplastic Agents (Cancer)	Cytarabine	20 mg/ml	Injection
Anti-Neoplastic Agents (Cancer)	Doxorubicin Hydrochloride	20 mg/ml	Injection
Anti-Neoplastic Agents (Cancer)	Epirubicin	10 mg	Injection
Anti-Neoplastic Agents (Cancer)	Fluouracil	25 mg/ml, 50 mg/ml	Injection
Anti-Neoplastic Agents (Cancer)	Goserelin	3.6 mg	Injection
Anti-Neoplastic Agents (Cancer)	Hydroxyurea	500 mg	Capsule
Anti-Neoplastic Agents (Cancer)	Melphalan	2 mg	Tablet
Anti-Neoplastic Agents (Cancer)	Mercaptopurine	50 mg	Tablet
Anti-Neoplastic Agents (Cancer)	Methotrexate	2.5 mg / 25 mg/ml	Tablet/Injection
Anti-Neoplastic Agents (Cancer)	Procarbazine	50 mg	Tablet
Anti-Neoplastic Agents (Cancer)	Tamoxifen	20 mg	Tablet

Anti-Neoplastic Agents (Cancer)	Vincristine	1 mg	Injection
Anticoagulants & Coagulants	Clotidogrel	75mg	Tablet
Anticoagulants & Coagulants	Heparin	5000 iu	Injection
Anticoagulants & Coagulants	Enoxaparin	20 mg, 40 mg, 60 mg	Injection
Anticoagulants & Coagulants	Protamine Sulphate	50 mg	Injection
Anticoagulants & Coagulants	Warfarin	1mg, 2mg, 5mg (scored)	Tablet
Cardiac Agents (Cardio)	Adenosine	3 mg/ml	Injection
Cardiac Agents (Cardio)	Amiodarone	100 mg /30mg.ml, 10 ml	Tablet/Injection
Cardiac Agents (Cardio)	Digoxin	50 mcg/ml,	Elixir
Cardiac Agents (Cardio)	Digoxin	0.125 mg, 0.25 mg/05mg/2ml	Tablet/Injection
Cardiac Agents (Cardio)	Lignocaine	100 mg, 2gm (iv)	Injection
Cardiac Agents (Cardio)	Propranolol	1 mg/ml	Injection
Cardiac Agents (Cardio)	Quinidine Sulphate	200 mg	Tablet
Anti-Hypertensive Agents	(Hypertension) Amlodipine	5mg, 10 mg	Tablet
Anti-Hypertensive Agents	(Hypertension) Atenolol	25 mg, 50 mg	Tablet
Anti-Hypertensive Agents	(Hypertension) Captopril	12.5 mg, 25 mg	Tablet
Anti-Hypertensive Agents	(Hypertension) Carvedilol	12.5 mg	Tablet
Anti-Hypertensive Agents	(Hypertension) Hydralazine	20 mg/ml / 25 mg, 50 mg	Injection/Tablet
Anti-Hypertensive Agents	(Hypertension) Lisinopril	5 mg, 10 mg, 20 mg	Tablet
<b>Part 2</b>			
<b>CHRONIC ILLNESS</b>	<b>BRAND</b>	<b>STRENGTH</b>	<b>TABLETS</b>
Anti-Hypertensive Agents (Hypertension)	Labetalol	50 mg / 5 mg/ml	Tablet/Injection

Anti-Hypertensive Agents (Hypertension)	Losartan	50 mg	Tablet
Anti-Hypertensive Agents (Hypertension)	Methyldopa	250 mg, 500 mg	Tablet
Anti-Hypertensive Agents (Hypertension)	Metoprolol Tartrate	1 mg/ml / 50 mg	Injection/Tablet
Anti-Hypertensive Agents (Hypertension)	Minoxidil	5 mg	Tablet
Anti-Hypertensive Agents (Hypertension)	Nifedipine	20 mg sr	Tablet
Anti-Hypertensive Agents (Hypertension)	Propranolol	40 mg, 80 mg	Tablet
Anti-Hypertensive Agents (Hypertension)	Bendrofluazide	2.5 mg / 25 mg /ml	Tablet
Anti-Hypertensive Agents (Hypertension)	Terazosin	2 mg, 5 mg	Tablet
Anti-Hypertensive Agents (Hypertension)	Verapamil	2.5 mg/ml / 40 mg, 240 mg sr	Injection/Tablet
Vasodilating Agents (CardioVascular)	Glyceryl Trinitrate	0.4 mg	Spray
Vasodilating Agents (CardioVascular)	Glyceryl Trinitrate	0.5 mg (SL), 400mcg / 5mg/ml	Tablet/Injection
Vasodilating Agents (CardioVascular)	Isosorbide Dinitrate	10 mg (oral)	Tablet
Diagnostic Agents	Tuberculin PPd	5TU/0.1 ml	
Antidiabetic Agents (Diabetes)	Glibenclamide	2.5 mg, 5 mg	Tablet
Antidiabetic Agents (Diabetes)	Glyclazide	80 mg, 30 mg SR	Tablet
Antidiabetic Agents (Diabetes)	Insulin NPH 70%/Regular 30% Human		Injection
Antidiabetic Agents (Diabetes)	Insulin NPH Human 100IU/ml		Injection
Antidiabetic Agents (Diabetes)	Insulin Soluble Human 100IU/ml		Injection
Antidiabetic Agents (Diabetes)	Metformin	500 mg, 800 mg	Tablet
Antiasthmatic Agents (Asthma)	Beclomethasone	250 mcg, 50 mcg	Oral Inhaler
Antiasthmatic Agents (Asthma)	Budesonide	250 mcg/ml	Nebulising Sol
Antiasthmatic Agents (Asthma)	Ipratropium Bromide	250 mcg/ml (20 ml Bott)	
Antiasthmatic Agents (Asthma)	Ipratropium Bromide	20 mcg/Dose (200 Doses)	
Antiasthmatic Agents (Asthma)	Salbutamol	2mg/5ml	Syrup
Antiasthmatic Agents (Asthma)	Salbutamol	4mg	Tablet
Antiasthmatic Agents (Asthma)	Salbutamol	0.5% Respiratory Sol	
Antiasthmatic Agents (Asthma)	Salbutamol	100 mcg	Inhaler
Antiasthmatic Agents (Asthma)	Salmeterol	25 mcg	Inhaler

**Part 3****CHRONIC ILLNESS**

	<b>BRAND</b>	<b>STRENGTH</b>	<b>TABLETS</b>
Cardiovascular Agents	Betapace, Apo- Sotalol	80mg	Tablets
Cardiovascular Agents	Aldactone	25,100mg	
Cardiovascular Agents	Sutent		
Anti-neoplastic Agents	Nolvadex	10,20mg	
Anti-neoplastic Agents	Flomax CR	0.4mg	Tablets
Cardiovascular Agents	Micardis	80mg	
Cardiovascular Agents	Micardis Plus	80/12.5mg	
Anti-neoplastic Agents	Tenodar	5,20,100,250mg	Tablets
Cardiovascular Agents	Metalyse	50mg/10ml	Tablets
Cardiovascular Agents	Hytrin	2,5mg	
Anti-Asthmatic Agents	Spiriva	18mcg	Capsules
Anti-Diabetic Agents	Orinase	500mg	
Anti-neoplastic Agents	Hycamtin	4mg	
Anti-neoplastic Agents	Adamon LP	100mg	Tablets, injection
Anti-neoplastic Agents/Pain	Adamon	50,100,150mg	Tablets, injection
Anti-neoplastic Agents	Herceptin	440mg	
Cardiovascular Agents	Vesanoid	10mg	

Cardiovascular Agents	Apo-Triazide	50/25mg	Tablets
Cardiovascular Agents	Dyazide	50/25mg	
Cardiovascular Agents	Vasteral MR	35mg	Injection
Cardiovascular Agents	Diovan	80,160,320mg	
Cardiovascular Agents	Exforge	5/160mg,10/160mg	Injection
Cardiovascular Agents	Co-Diovan	80/12.5,160/12.5/25,320/1 2.5	
Cardiovascular Agents	Verapamil	80,160,240mg	
Cardiovascular Agents	Verapamil SR	240mg	Capsules
Anti-neoplastic Agents	Velban	1mg/ml,10mg	
Anti-neoplastic Agents	Oncovin	1mg/ml	
Cardiovascular Agents	Coumadin	1,2,2.5,3,4,5,7.5,10mg	
Anti-neoplastic Agents/Pain	Morphine Sulphate	10mg/ml,15mg/ml	
Cardiovascular Agents	Glyceryl Trinitrate (GTN)	500mcg, 300mcg,400mcg	Spray, Tabs
Cardiovascular Agents	Heparin Sodium	5000units	Injection
Cardiovascular Agents	Novoseven RT		Injection

Made this 14<sup>th</sup> day of July, 2011.

DENZIL L DOUGLAS  
*Minister responsible for Finance*