



## **Discounted VAT Rate Day**

### **Consumer Information Notes**

#### **INTRODUCTION**

Consumers in St. Kitts and Nevis will have the opportunity to purchase goods at a reduced VAT rate on **Saturday August 23, 2025**, which has been designated as a **Discounted VAT Rate Day. (DVRDs)**. On this day, participating businesses approved by the Inland Revenue Department will be allowed to charge **Value Added Tax (VAT) at a rate of 5% on the sale of eligible goods**. In addition to this temporary reduction, a **0% Discounted VAT rate will apply to specific school supplies for the period July 1 to September 30, 2025**, offering further savings for families preparing for the new academic year. This initiative forms part of the government's efforts to ease the financial burden on consumers while stimulating economic activity

#### **Eligible Items**

Tangible items that are presently subject to 17% VAT will qualify for the discounted VAT Rate on the DVR Day except for those listed below.

Items eligible **MUST** also be available for sale and immediate issuance or delivery to the customer on the DVR Day. Orders for items not in stock **DO NOT** qualify.

#### **Non-Eligible Items**

Professional services (Eg. Legal fees)  
Rent & Tickets for game of chance (Eg. Lottery/Raffles)  
Top-ups & Phone cards  
Guns, Ammunition & Cigarettes  
Alcoholic Beverages  
Vehicles

Goods and Services imported on the DVR Day(s) do not qualify for the reduced VAT rate.

## **Eligible School Supplies at 0% Discounted VAT Rate**

1. Exercise Books.
2. Textbooks.
3. Geometry Sets.
4. Rulers.
5. T-Squares.
6. School Uniforms (Pants, Shirts, Skirts, Blouses, Jumpers, Ties, Crests).
7. Cloth for making school uniforms.
8. School Bags.
9. Pens.
10. Pencils.
11. Crayons.
12. Markers.
13. Highlighters.
14. Erasers.
15. Pencil Sharpeners.
16. White-Out Correction Fluid.
17. Water Paints.
18. Pencil Case/Pouches.
19. Glue Sticks.
20. Dictionaries.
21. Folder Leaf.
22. Graph Paper.
23. Calculators.
24. Lunch Boxes.
25. Book Binder.
26. Plastic Book Covers.

### **Be Vigilant:**

Consumers are advised to collect and review your receipt to ensure that the reduced VAT rate of 5% was charged if the Business was approved to participate in the DVR Day (see approved list on [www.sknird.com](http://www.sknird.com)). Any discount offered should be calculated on the VAT exclusive amount after which the VAT should be applied. If the business did not apply/was not approved to participate, then the VAT charged should remain at 17%. Feel free to contact the Department with any concerns you may have.

Are Items sold on Credit and Hire Purchase eligible for the reduced rate?

YES! Eligible goods sold under a credit or hire purchase agreement will qualify for the reduced rate of 5% if the sale is concluded on the DVR Day. Businesses are reminded that the VAT on the sales under credit terms must be reported in its entirety whether or not payment has been made in full during that tax period.

## **Rules Governing Returns and Exchanges**

If a customer buys a good at the special 5% rate during the DVR Day and exchanges it on the same day for another good, the 5% rate will still apply. The special rate will NOT apply if the exchange is done after Saturday 23<sup>rd</sup> August 2025.

If a customer buys a good during the DVR Day and returns the item after the Day for credit on the purchase of a different item, the 17% VAT Rate would apply to the sale of the newly purchased item, even if it would have been eligible for the 5% rate during the DVR Day.

If a customer buys an item before the DVR Day but returns the item during the DVR Day and receives credit on the purchase of a different item, the reduced rate shall NOT apply on the sale of the new item.

## **Approved Businesses**

A list of businesses authorized to participate in the Discounted VAT Rate Day will be available on our website at [www.sknird.com](http://www.sknird.com) by Friday 15th August 2025.

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### **Contact Information**

#### **St. Kitts**

Inland Revenue Department  
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Tel: +1-869-465-8485

#### **Nevis**

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St. Kitts and Nevis Inland Revenue Department

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