

Zero-Rated Supplies

The Guyana Revenue Authority hereby advises taxpayers that based on the Amendments to the Value-Added Tax Act, Cap 81:05, the following is the new list of zero-rated supplies as contained in Schedule 1 to the Act. These amendments will take effect from February 1, 2017.

1. In this Schedule –

“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 Gazette designates as one that is not an export country;

“exported from Guyana”, in relation to any movable goods supplied by a registered person under a sale or a credit agreement, means –

(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-General; or

(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

“intellectual property rights” means a patent, design, trade mark, copyright, know-how, confidential information, trade secret, or similar rights;

EXPORT OF GOODS

2. The following goods are zero-rated for the purposes of section 17 –

(a) a supply of 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 –

(i) are wrought into, affixed to, attached to, or otherwise form part of those other goods; or

(ii) being consumable goods, become unsalable or worthless as a direct result of being in that repair, renovation, modification or treatment process;

(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;

(c) a supply of goods where the Commissioner-General 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 purposes 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 or vessel.

(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

(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.

(d) a supply of services physically rendered elsewhere than in Guyana;

(e) a supply of services to a non-resident person who is not a taxable person comprising the arranging for the person of –

(i) a supply of goods referred to in paragraphs (a) and (b) of the definition of “exported from Guyana”; or

(ii) a supply of services for repair, maintenance, cleaning or re-conditioning of a foreign-going aircraft or vessel;

(iii) the transport of goods including ancillary transport services within Guyana.

(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 –

(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;

(g) a supply of services comprising –

(i) the filing, prosecution, granting, maintenance, transfer, assignment, licensing or enforcement of any intellectual property rights for the use outside Guyana;

(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-General, 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-General, 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-General; or

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

INVESTMENT/LOCAL MANUFACTURING

5. Zero-rated for the purposes of section 17 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-General within fifteen days after the supply takes place and such notice includes the details of the supply.

MEDICAL SUPPLIES

6. The following medical supplies are zero-rated for the purposes of section 17 –

(a) a supply of medicines and drugs of a kind available only by prescription.

(b) any of the following medicines for human use –

(i) analgesics in the form of liquids, tablets, capsules, or other solid dosage forms for oral or rectal use;

(ii) cough and cold preparations in the form of liquids, tablets, capsules or other solid dosage forms for oral and nasal use;

(iii) antacids and anti-flatulants in the form of liquids, tablets, capsules and other solid dosage forms for oral use;

(iv) laxatives in the form of liquids, tablets, capsules or other solid dosage forms for oral or rectal use;

(v) anthelmintics in the form of liquids, tablets or capsules for oral use;

(vi) oral rehydration preparations in the form of salts or solution of W.H.O./Pharmacopoeia standards.

(c) **Diabetic –**

(i) glucometers (glucose blood test machines) needles and glucose blood strips made for use with such machines;

(ii) insulin syringes with needles and devices for the administration of insulin.

(d) spectacles prescribed by an optometrist in the treatment of the human eye and visual system;

(e) crutches.

OTHER SERVICES

The following services are zero-rated for the purposes of Section 17–

(a) electricity consumption under ten thousand dollars per month;

(b) water consumption under one thousand five hundred dollars per month.

FOR MORE INFORMATION AND ASSISTANCE

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