

Value Added Tax Regulations

SAINT LUCIA

—
No. 117 of 2012

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*Value Added Tax Regulations***SAINT LUCIA**

STATUTORY INSTRUMENT, 2012, No. 117

[28th September, 2012]

In exercise of the power conferred under section 106 of the Value Added Tax Act No.7 of 2012, the Minister responsible for finance makes these Regulations:

Citation

1. These Regulations may be cited as the Value Added Tax Regulations 2012.

INTERPRETATION

2. In these Regulations—

“Act” means the Value Added Tax Act No. 7 of 2012;

“commission agent” means a person who is remunerated on a commission basis;

“VAT” or “tax” means the value added tax imposed by the Act.

Supply of Goods And Services

3.—(1) If a commission agent renders domestic services on behalf of a principal, the services generally are independent supplies that are taxable unless they are zero rated under section 16 of the Act or exempt under section 17 of the Act.

(2) The use, by a taxable person, of capital goods to provide entertainment constitutes a supply of entertainment by the taxable person under section 4 of the Act, and is subject to tax.

(3) For the purposes of subregulation (2), capital goods include yachts, power boats, leisure facilities and private aircrafts.

(4) The use of leased or licensed goods or the use of corporate or individual membership is a supply of entertainment under section 4 of the Act and is subject to tax.

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(5) For the purposes of subregulation (4), leased or licensed goods include yachts, power boats, leisure facilities and private aircrafts, and corporate or individual membership includes membership of a golf club, gym or other leisure facility.

- (6) (a) Where -
- (i) land is compulsorily acquired from a taxable person under the Land Acquisition Act, Cap.5.04 or any other Act under which land can be compulsorily acquired;
 - (ii) compensation is paid to that person in relation to the acquisition; and
 - (iii) a sale of that land by the person would have been a taxable supply if it had been made on the day on which the land was compulsorily acquired, the taxable person is treated as making a taxable supply of the land under section 4 of the Act on the day on which the land is compulsorily acquired and for a consideration equal to the amount of compensation paid or payable in relation to the compulsory acquisition.
- (b) Regulation 3(6)(a) applies whether or not the taxable person consents to the compulsory acquisition or agrees to the amount of compensation paid.
- (c) For the purposes of regulation 3(6), land is compulsorily acquired on the day on which title to the land is vested in the Crown, or in a person other than the Crown who has compulsorily acquired the land.

(7)—(1) Where two or more goods, services or both are combined to form the subject matter of a single supply and the VAT treatment of each would be different if they were not combined, the VAT treatment of the supply as either a single supply or as two or more separate supplies is determined as follows:

- (a) if—
- (i) one part of the supply (the subsidiary part) is ancillary or incidental to another part of the supply (the dominant part); and

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- (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 is treated as part of the dominant part and has the same VAT treatment as the dominant part;

- (b) if and to the extent that paragraph (a) does not apply, then each part of the supply is treated as a separate supply, and
- (c) if appropriate, paragraphs (a) and (b) may 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 the supply should be treated as two or more separate supplies.

(2) If a single supply consists of more than one part, each part is treated as a separate supply if—

- (a) neither part is ancillary or incidental to the other; and
- (b) had the parts been capable of being separately supplied, they would have had different VAT treatments.

(3) For the purposes 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 subregulation (1) or (2) should be apportioned between each separate supply in such a way as to provide a true reflection of the price paid by the recipient for each separate supply.

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

Value of Supply

4. For the purposes of section 20(5) of the Act, where a taxable person applies less than the entire goods or services to a different use, the value of supply is determined as follows:

- (a) If 10 percent or less of a good or service is converted to a different use, the change in use is not treated as a supply under section 4(6) of the Act.

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- (b) Changes within a 12 month period are to be aggregated for the purposes of determining the portion of a good or service that was converted to a different use.

Sales Receipts

5. For the purposes of section 34(2) of the Act, a registered supplier may issue a sales receipt in lieu of a tax invoice for a taxable supply to a registered recipient if the total consideration for the sale reported on the sales invoice is payable in cash and does not exceed \$50.00.

Tax Credit Notes and Tax Debit Notes

6.—(1) A tax credit note required by section 35(1) of the Act must contain at least the following particulars:

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

(2) A tax debit note required by section 35(3) of the Act must contain at least the following particulars:

- (a) the name, address and taxpayer identification number of the registered person making the supply;
- (b) the name, address and taxpayer identification number of the recipient of the supply;

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- (c) the value of the supply shown on the tax debit note, the correct amount of the value of the supply, the difference between those two amounts and the tax charged that relates to the difference;
- (d) the words “Tax Debit Note” in a prominent place;
- (e) the date on which the tax debit note was issued;
- (f) a brief explanation as to why the tax debit note is being issued; and
- (g) information sufficient to identify the taxable supply to which the tax debit note relates.

Interest on Refunds

7. The rate of interest payable on a refund under section 58(3) of the Act –

- (a) is four percent per annum or part thereof; and
- (b) is calculated as simple interest.

Charitable organisations eligible refund of tax

8. An approved charitable organisation is an organisation listed in the Schedule.

SCHEDULE**(Regulation 8)**

An approved charitable organisation means —

- (a) Upton Garden Girls’ Centre;
- (b) St. Lucia Ex-Servicemen League;
- (c) St. Lucia Association for Retarded Children;
- (d) Marian Home;
- (e) St. Lucy’s Home;
- (f) Adelaide/Frances Memorial Home;
- (g) St. Lucia Blind Welfare Association;
- (h) Deaf Association;

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- (i) National Council for the Disabled;
- (j) Villa St. Joseph
- (k) St. Lucia Red Cross;
- (l) Home for Abandoned Children/Foster Care;
- (m) Council for Elderly;
- (n) Children's Home at Ciceron;
- (o) Cornerstone Humanitarian Society;
- (p) St. Lucia Cancer Society;
- (q) St. Lucia Sickle Cell Association;
- (r) Kiwanis Club;
- (s) Rotary Club;
- (t) Rotaract Club;
- (u) Lions Club;
- (v) Leo Club;
- (w) St. Vincent de Paul Society;
- (x) St. John's Ambulance Bregade;
- (y) Friends of the Mentally Challenged;
- (z) Saint Lucia Scouts Association;
- (aa) Saint Lucia Girl Guides Association;
- (bb) Saint Lucia Cadet Corps.

Made this 27th day of September, 2012.

PHILIP J. PIERRE,
Minister responsible for finance(Ag.).