

## CERTIFICATE

In accordance with section 50(2) of the Jamaica Constitution Order in Council 1962, I hereby certify that this Bill shortly entitled The General Consumption Tax (Amendment) Act, 2014 is a Money Bill.

LLOYD B. SMITH

*Deputy Speaker.*

## A BILL

### ENTITLED

AN ACT to Amend the General Consumption Tax Act.

[ ]

BE IT ENACTED by the Queen's Most Excellent Majesty, by and with the advice and consent of the Senate and House of Representatives of Jamaica, and by the authority of the same, as follows:—

1. This Act may be cited as the General Consumption Tax (Amendment) Act, 2014, and shall be read and construed as one with the General Consumption Tax Act (hereinafter referred to as the "principal Act") and all amendments thereto. Short title  
and  
construction.
2. Section 2 (1) of the principal Act is amended— Amendment  
of section 2  
of principal  
Act.
  - (a) by deleting the definition of "approved charitable organization";

- (b) by inserting next after the definition of “absolute alcohol” the following definition—

“ “arrangement” means any agreement, scheme, contract, plan, proposal, understanding, undertaking or similar transaction (whether express or implied and whether legally enforceable or not) and all steps and transactions preparatory to carrying the transaction into effect;”;

- (c) in the definition of “authorized person”, by deleting the words “Commissioner of Taxpayer Audit and Assessment” and substituting therefor the words “Commissioner General”;

- (d) by inserting next after the definition of “authorized person” the following definition—

“ “Commissioner General” means the Commissioner General of Tax Administration Jamaica appointed under section 10 of the Tax Administration Jamaica Act;”;

- (e) by inserting next after the definition of “hire-purchase agreement” the following definition—

“ “imported services” means a supply of services other than services that are exempt from the payment of tax under this Act to a person who is resident in Jamaica by a person who is—

- (a) not resident in Jamaica; or
- (b) resident in Jamaica where the services are supplied by a business carried on by that resident outside of Jamaica,

to the extent that the services are to be utilized or consumed in Jamaica and to the extent that supply of the services would be a taxable supply if they were performed in Jamaica by a registered taxpayer;”;

- (f) in paragraph (b) of the definition of “input tax”, by deleting the words “taxable supplies” and substituting therefor the words “prescribed goods”;
- (g) in the definition of “open market value”, by deleting the words “Commissioner of Taxpayer Audit and Assessment” and substituting therefor the words “Commissioner General”;
- (h) by inserting next after the definition of “registered taxpayer” the following definition—

“service importer” means the recipient of imported services;”;

- (i) by deleting the definition of “taxable activity” and substituting therefor the following—

“taxable activity” means any activity, carried on in the form of a business, service, trade, profession, vocation, association or club, whether or not for a pecuniary profit which—

- (a) involves or is intended to involve, in whole or in part, the supply of goods and services to any other person for a consideration; and
- (b) in the case of imported services, is carried on at least once or, in the case of any other activity, is carried on continuously or regularly by any person; but
- (c) does not include—
  - (i) any activity carried on essentially as a private recreational pursuit or hobby;
  - (ii) any engagement, occupation or employment

under any contract of service;

(iii) a directorship of a company; or

(iv) any activity specified in the Third Schedule; and

Third  
Schedule.

(j) in the definition of "taxable supply", by deleting the words "pursuant to this Act" and substituting therefor the words "under section 3".

**3. Section 3 of the principal Act is amended—**

- (a) in subsection (1B), by deleting the comma and all the words appearing after the words "registered taxpayer";
- (b) in subsection (3), by deleting the word and numerals "2, 3, 4, 5 and 6" and substituting therefor the word and numerals "3, 4, 5, 6, 7, 8, and 10"; and
- (c) in subsection (4), by deleting the word and numeral "Item 1" and substituting therefor the words and numeral "Items 2 and 9".

Amendment  
of section 4  
of principal  
Act.

**4. Section 4(1) (a) of the principal Act is amended by deleting the word "fifteen" and substituting therefor the words "sixteen and one-half".**

Amendment  
of section 7  
of principal  
Act.

**5. Section 7(1) of the principal Act is amended—**

- (a) by deleting the words "(other than a taxable supply referred to in section 8)";
- (b) in paragraph (a), by inserting immediately after the word "including" the words "duties, levies, fees, charges and";
- (c) in paragraph (c), by deleting the word "or"; and

(d) by deleting paragraph (d) and substituting therefor the following as paragraphs (d) and (e)—

“ (d) if there is no consideration for the supply, the value of the supply shall be its open market value; or

(e) if the consideration for the supply consists wholly of kind, the value of the supply shall be its open market value.”.

6. Section 8 of the principal Act is amended—

Amendment  
of section 8  
of principal  
Act.

(a) in the marginal note, by deleting the words “taxable supply” and substituting therefor the word “goods”;

(b) by deleting subsection (1) and substituting therefor the following—

“ (1) Subject to subsection (2), the value of goods imported into Jamaica shall, for the purposes of this Part, be the aggregate of—

(a) the value of the goods for customs duty purposes;

(b) the amount of customs duty payable in respect of the goods;

(c) any additional stamp duty on inward customs warrants payable in respect of the goods;

(d) any special consumption tax payable in respect of the goods; and

(e) any fees, levies and other taxes payable on the importation of the goods.”; and

(c) in subsection (2), by deleting the words “a taxable supply is” and substituting therefor the words “goods are”.

7. Section 8 A of the principal Act is repealed.

Repeal of  
section 8A of  
principal Act.

Amendment  
of section 13  
of principal  
Act.

**8. Section 13 of the principal Act is amended —**

- (a) by inserting next after subsection (2) the following as subsection (2A)—

“ (2 A) Subsections (1) and (2) shall apply where value is relevant for the determination of the amount of special consumption tax payable on the good referred to therein.”; and

- (b) in subsection (3), by deleting the word “cigarettes” and substituting therefor the words “unmanufactured tobacco or refuse tobacco, cigars, cheroots, cigarillas containing tobacco or tobacco substitutes, smoking and other manufactured tobacco, snuff, cigarettes”.

Amendment  
of section 14  
of principal  
Act.

**9. Section 14 of the principal Act is amended by deleting the words “Item No. 1 (d) and (e) of the Second Schedule” and substituting therefor the words “Item No. 9 (d) and (e) of the Second Schedule”.**

Amendment  
of section 15  
of principal  
Act.

**10. Section 15(1) of the principal Act is amended, in paragraph (a), by deleting the word “or” where it appears a second time.**

Insertion of  
new heading,  
subheading  
and sections  
17A and 17B  
in principal  
Act.

**11. The principal Act is amended by inserting next after section 17 the following heading, subheading and new sections 17A and 17B—**

“

**PART IIIA**

**ROLE OF COMMISSIONER OF CUSTOMS  
RE IMPORTED GOODS AND EXCLUSIONS  
FOR TEMPORARY IMPORTS**

Powers of  
Commissioner  
of Customs  
not affected.

**17A. In relation to the imposition of tax under this Act on the importation of any goods and the assessment and collection of such tax, the Commissioner of Customs shall have all the powers conferred upon him under the *Customs Act*.**

Tax not  
payable on  
temporary  
imports.

**17B. No tax shall be payable on goods ~~that~~ are imported where it can be established, to the satisfaction of the Commissioner of Customs, ~~that the~~**

goods are imported for temporary use and the importer will re-export the goods after they are used.”.

12. Section 18 of the principal Act is amended by inserting next after subsection (8) the following as subsection (9)—

Amendment  
of section 18  
of principal  
Act.

“ (9) The sale, ~~transfer~~ or other disposition of a taxable activity, or a part of a taxable activity that is capable of separate operation, is a supply of goods made in the course or furtherance of the taxable activity.”.

13. Section 20 of the principal Act is amended by deleting subsection (2) and substituting therefor the following as subsections (2) and (3)—

Amendment  
of section 20  
of principal  
Act.

“ (2) For the purposes of this Act, the tax payable by a registered taxpayer in respect of each taxable period shall—

- (a) in relation to taxable supplies, be the amount arrived at after deducting the total amount of input tax or such portion thereof, if any, as may be prescribed from the total amount of output tax; and
- (b) in relation to prescribed goods, be the amount arrived at after deducting from the total amount of output tax such portion of the input tax, as may be prescribed.

(3) In calculating the amount of tax payable by a registered taxpayer in accordance with subsection (1)—

- (a) no input tax comprising general consumption tax shall be deducted from any output tax comprising special consumption tax; and
- (b) no input tax comprising special consumption tax shall be deducted from any output tax comprising general consumption tax.”.

14. Subsection (2) of section 23 of the principal Act is amended—

Amendment  
of section 23  
of principal  
Act.

- (a) by deleting paragraph (a); and
- (b) in paragraph (2) (c), by deleting the words “Commissioner of ~~Taxpayer~~ Audit and Assessment” and substituting therefor the words “Commissioner General”.

Amendment  
of section  
23A of  
principal Act.

**15. Section 23A of the principal Act is amended—**

- (a) in the marginal note, by inserting immediately after the word “services” the words “or insurance contract”;
- (b) in subsection (1), by deleting the words “Commissioner of Inland Revenue” and substituting therefor the words “Commissioner General”; and
- (c) by inserting next after subsection (1) the following as subsection (1A)—

“ (1A) Where a taxable activity consists of a supply made by an insurer pursuant to a contract of insurance made through a broker, the broker and the insurer shall be jointly and severally liable to collect the tax chargeable in respect of the taxable activity and pay the tax to the Commissioner in accordance with section 33(1).”.

Repeal and  
replacement  
of 23B of  
principal Act.

**16. Section 23B of the principal Act is repealed and the following substituted therefor—**

“Payment of  
tax in  
respect of  
imported  
services.

**23B.—(1) Subject to subsection (3)—**

- (a) a service importer who is a registered taxpayer shall, in respect of the supply of imported services that are received by that service importer—

- (i) be deemed to be the supplier of those services;
- (ii) be liable to pay the tax payable in respect of the supply of those services to the Commissioner General; and
- (iii) be required to file a return and to pay the amount of tax in accordance with the provisions of section 33(1); and



(b) a service importer who is not a registered taxpayer shall, in respect of the supply of imported services that are received by that service importer—

- (i) be deemed to be the supplier of those services and to be a registered taxpayer;
- (ii) be liable to pay the tax payable in respect of the supply of those services to the Commissioner General; and
- (iii) be required to file a return and to pay the amount of tax in accordance with the provisions of section 33(1).

(2) The value of an imported service under this section shall be determined in accordance with section 7.

(3) Subsection (1) shall not apply to—

- (a) a service importer who, in the twelve month period immediately prior to the date that imported services are received, makes supplies that have an aggregate value of less than three million dollars, excluding the value of any imported services received by the service importer during that twelve month period; or
- (b) a service importer who is an individual, in respect of imported services that are received by that individual for his private use.”.

**17. Section 24 of the principal Act is amended by deleting the words “taxable supply” and substituting therefor the words “taxable goods or services”.**

**Amendment  
of section 24  
of principal  
Act.**

Repeal and  
replacement  
of sections  
27 and 28 of  
principal Act.

**18.** Sections 27 and 28 of the principal Act are repealed and the following substituted therefor—

“Registration. 27.—(1) On receipt of an application under section 26, the Commissioner General shall register the applicant as a registered taxpayer if the Commissioner General is satisfied that—

- (a) in the month of application and the eleven months immediately preceding the month of application, the gross value of the applicant’s supplies is not less than the value specified in regulation 2(3) of the General Consumption Tax Regulations, 1991;
- (b) in respect of a period of less than twelve months immediately preceding the date of the application, the average monthly value of the applicant’s gross supplies is not less than the value specified in regulation 2(4) of the General Consumption Tax Regulations, 1991; or
- (c) the applicant is a manufacturer of prescribed goods.

(2) Where a person is registered under subsection (1), the Commissioner General shall issue to that person a certificate of registration.

(3) Where the Commissioner General is not satisfied that an applicant is qualified to be registered under this Act, he shall notify the applicant in writing and shall state his reasons for the decision.

(4) Where the Commissioner General refuses to register a person under to subsection (1), the person may, in accordance with section 40(1), object to the decision of the Commissioner General.

Commissioner  
General may  
require  
registration.

28.—(1) Where the Commissioner General has reason to believe that a person who is liable to be registered under this Act is not so registered, the Commissioner General shall register that person and the provisions of section 27 (2) shall apply, *mutatis mutandis*, to registration under this section.

(2) Where pursuant to subsection (1), the Commissioner General registers a person, the date of that person's registration shall be the date on which the gross value of supplies made by that person was equivalent to the amount respectively specified in regulation 2(3) or (4) of the General Consumption Tax Regulations, 1991.

(3) Where the Commissioner General registers a person, pursuant to subsection (1), the person may, in accordance with section 40(1), object to the decision of the Commissioner General.”

19. Sections 31 and 32 of the principal Act are repealed and the following substituted therefor—

“Cancellation  
of  
registration.

31.—(1) Subject to the provisions of this section, the Commissioner General shall cancel the registration of any registered taxpayer if the Commissioner General is satisfied that the registered taxpayer no longer qualifies for registration.

(2) Before cancelling the registration of any taxpayer under subsection (1), the Commissioner General shall notify the registered taxpayer in writing of his intention to do so, stating the reasons therefor and shall offer the taxpayer an opportunity to be heard.

(3) A registered taxpayer who is notified under subsection (2) may, in accordance with section 40 (1), object to the proposed cancellation.

(4) If, after considering any objection made under subsection (3), the Commissioner General

Repeal and  
replacement  
of sections  
31 and 32 of  
principal Act.

decides to cancel the registration, the Commissioner General shall inform the registered taxpayer, in writing, of the decision and the right of appeal conferred by section 40 (7).

(5) A registered taxpayer whose registration under this Act has been cancelled shall return the certificate of registration to the Commissioner General forthwith.

Person  
registered  
under Act to  
notify change  
of status.

32.—(1) Every person who is a registered taxpayer shall, within twenty-one days of a change in respect of, or cessation of any taxable activity or part thereof carried on by that registered taxpayer, notify the Commissioner General in writing thereof and in particular of—

- (a) the sale, transfer of ownership or other disposition of his taxable activity or any part thereof (whether or not as a going concern) including—
  - (i) the date on which ownership or, any part thereof, is transferred;
  - (ii) the name of the new or part owner;
  - (iii) the address of the new or part owner;
- (b) any change in the name, address, constitution or nature of any taxable activity carried on by that person;
- (c) the date of cessation of the taxable activity;
- (d) any change of persons who are partners in a partnership; and
- (e) any other change in the taxable activity, the status of the registered taxpayer or any

other change affecting the registration of the taxpayer.

(2) A person who acquires a taxable activity, or part thereof, from a registered taxpayer shall so inform the Commissioner General in writing within twenty-one days of the date of the acquisition.”.

20. The principal Act is amended by inserting next after section 32 the following as section 32A—

Insertion of  
new section  
32A in  
principal Act.

“Registered  
taxpayer to  
display  
certificate.

32A.—(1) Every registered taxpayer shall display the certificate of registration of that taxpayer in a conspicuous place at the premises in which the taxpayer carries on the taxable activity.

(2) Where a registered taxpayer carries on a taxable activity at more than one premises, a copy of the certificate of registration of that taxpayer supplied by the Commissioner General shall be displayed in a conspicuous place at each premises in which he carries on the taxable activity.

(3) Where the Commissioner General determines that a registered taxpayer does not display his certificate of registration in accordance with this section, the Commissioner General may issue a contravention notice and every person who fails to comply with the contravention notice commits an offence and is liable to the greater of the following penalties, that is to say—

- (a) in the case of a first contravention, to a penalty of ten thousand dollars;
- (b) in the case of a second contravention, to a penalty of twenty thousand dollars; and
- (c) in the case of a third or any subsequent contravention, to a penalty of thirty thousand dollars.”.

Amendment  
of section 36  
of principal  
Act.

21. Section 36(b) of the principal Act is amended by deleting the words "a taxable supply" and substituting therefor the words "the taxable activity".

Amendment  
of section 38  
of principal  
Act.

22. Section 38 of the principal Act is amended—

- (a) by deleting subsections (1) and (2) and substituting therefor the following as subsections (1) and (2)—

" (1) The Commissioner General shall make an assessment in writing of the tax payable by a registered taxpayer where the registered taxpayer—

- (a) fails to furnish a return as required by this Act; or
- (b) furnishes a return which appears to the Commissioner General to be incomplete or incorrect.

(2) Where the Commissioner General is not satisfied with the calculations on any return furnished by a registered taxpayer or the basis on which the return is prepared, the Commissioner General—

- (a) may make an assessment of the amount that he thinks the registered taxpayer ought to have stated on the return; and
- (b) shall, in any such assessment, state the general basis on which the assessment is made."; and

- (b) in subsections (4), (6) and (7), by deleting the words "Commissioner of Taxpayer Audit and Assessment" wherever they appear and substituting therefor, in each case, the words "Commissioner General".

Amendment  
of section 39  
of principal  
Act.

23. Section 39(a) of the principal Act is amended by deleting the words "Commissioner of Taxpayer Audit and Assessment" and substituting therefor the words "Commissioner General".

**24.** Section 40(1), (2), (4) (a) and (6) and section 41(1) and (5) of the principal Act are amended by deleting the words “Commissioner of Taxpayer Audit and Assessment” wherever they appear and substituting therefor, in each case, the words “Commissioner General”.

Amendment  
of section 40  
and 41 of  
principal Act.

**25.** Section 42 of the principal Act is repealed and the following substituted therefor—

Repeal and  
replacement  
of section 42  
of principal  
Act.

“Deferment  
of payment  
of tax.

**42.—(1)** Upon receipt of an application from a registered taxpayer, the Commissioner General may grant approval, under such terms and conditions as he sees fit, for the importation of specified goods by that registered taxpayer without the payment of tax to the Commissioner of Customs at the time of importation where—

(a) the Commissioner General is satisfied that the registered taxpayer—

- (i) has made returns as required by this Act; and
- (ii) has paid all tax under this Act which he is liable to pay, except the tax which is the subject of the application under this section;

(b) the registered taxpayer has deposited, with the Commissioner General, security in such form and amount and upon such terms as the Commissioner General may determine.

(2) Where the Commissioner General grants approval under subsection (1), the registered taxpayer shall account for the tax chargeable on the importation of the specified goods in a return furnished by him in accordance with section 33 (and in such a manner as may be prescribed) for the taxable period in which the specified goods were imported.

(3) In this section, "specified goods" means goods (including machinery, equipment and spare parts) imported by a manufacturer which qualify for exemption from customs duty under Part 5 of the Third Schedule to the Customs Tariff (Revision) Resolution, 1972."

Insertion of  
new section  
42A in  
principal Act.

26. The principal Act is amended by inserting next after section 42 the following as section 42A—

"Manufacturer  
of exempt  
goods may  
claim refund.

42A.—(1) A person to whom subsection (2) applies may make an application to the Commissioner General for a refund of general consumption tax paid on the inputs used by the person in the manufacture of exempt goods which, if such inputs were imported, would qualify for relief under Part 5 of the Third Schedule to the Customs Tariff (Revision) Resolution, 1972.

(2) A person to whom subsection (1) relates is a person who—

- (a) is not a registered taxpayer;
- (b) manufactures any of the goods mentioned in Part 1 or 1C of the Third Schedule; and
- (c) is not entitled to claim an input tax credit in respect of the manufacture of such goods."

Amendment  
of section 45  
of principal  
Act.

27. Section 45 of the principal Act is amended by deleting the words "Commissioner of Taxpayer Audit and Assessment" and substituting therefor the words "Commissioner General".

Amendment  
of section 46  
of principal  
Act.

28. Section 46 of the principal Act is amended by deleting subsection (5) and substituting therefor the following—

" (5) No refund of tax paid in excess shall be made if an application by a registered taxpayer is made for such refund after the expiry of six years from the last day of the taxable period in which the excess tax was paid, so, however, that where the



applicant has ceased to be a registered taxpayer, the application for such refund may only be made within two years after the date upon which the applicant ceased to be a registered taxpayer.”.

**29. Section 48 of the principal Act is amended—**

Amendment  
of section 48  
of principal  
Act.

- (a) by renumbering subsection (2) as subsection (3); and
- (b) by inserting next after subsection (1) the following as subsection (2)—

“ (2) Any penalty, surcharge or interest payable under this Act may be added to any tax due and payable and may be recovered as if it were tax.”.

**30. Sections 54, 55 and 56 of the principal Act are repealed and the following substituted therefor—**

Repeal and  
replacement  
of sections  
54, 55 and 56  
of principal  
Act.

“Penalties  
relating to  
registration  
and change  
of status,  
returns, etc.

**54.—(1) Every person required to be registered under this Act who fails to apply for such registration shall be liable to—**

- (a) whichever of the following penalties is greater—

- (i) a penalty of ten thousand dollars; or
- (ii) a penalty equal to the amount of tax that would have been payable had that person been a registered taxpayer during the period commencing with the date when the person was required to apply for registration and ending on the earlier of the date the person applies for registration to the Commissioner General or is registered by the Commissioner General; and

- (b) pay interest in accordance with subsection (4).

(2) Every registered taxpayer who fails to pay the full amount of tax due and payable under section 33 in respect of a taxable period and any other person liable to pay tax under this Act who fails to pay such tax shall be liable to a penalty of ten per cent of the amount unpaid and to pay interest in accordance with subsection (4).

(3) Every registered taxpayer who fails to make a return under section 33 shall be liable to—

- (a) the greater of the following penalties, that is to say—

- (i) a penalty of ten thousand dollars; or
- (ii) a penalty of an amount equal to ten per cent of the tax which was due and payable, in respect of the taxable period to which the return relates, up to a maximum of one hundred thousand dollars; and

- (b) pay interest in accordance with subsection (4).

(4) Where the total amount under this section remains unpaid after it is due and payable, interest shall be chargeable on that amount at the rate of one and one-half per cent per month or part thereof until the date of payment.

Offences  
relating to  
registration  
and change  
of status.

55.—(1) A person who, not being a registered taxpayer, displays or causes to be displayed at his place of business any document purporting to be a certificate of registration commits an offence and is

liable on summary conviction in a Resident Magistrate's Court to a fine not exceeding five hundred thousand dollars and, in default of payment thereof, to imprisonment for a term not exceeding six months.

(2) A person who fails to return to the Commissioner General a certificate of registration upon cancellation of his registration under section 31 commits an offence and is liable on summary conviction in a Resident Magistrate's Court to a fine not exceeding one hundred thousand dollars or in default of payment to a term not exceeding one month.

(3) A registered taxpayer who neglects to inform the Commissioner General, within the specified period, of—

- (a) a change in respect of the transfer of ownership by him of his taxable activity;
- (b) the address from where or the name in which the taxable activity is carried out; or
- (c) the cessation of his taxable activity as required by section 32,

commits an offence and is liable on summary conviction in a Resident Magistrate's Court to a fine not exceeding five hundred thousand dollars and in default of payment thereof to imprisonment for a term not exceeding three months.

56.—(1) A person commits an offence if he, with intent to defraud the revenue, enters into any arrangement or agreement for the purpose of evading tax under this Act.

Offences  
involving  
dishonesty.

(2) A registered taxpayer who, with intent to defraud the revenue, delivers from a factory or warehouse any prescribed goods without paying special consumption tax, commits an offence.

(3) A person who commits an offence under subsection (1), or a registered taxpayer who commits an offence under subsection (2), is liable on summary conviction in a Resident Magistrate's Court to a fine not exceeding one million dollars or of an amount equivalent to three times the tax payable, whichever is greater, or to imprisonment for a term not exceeding twelve months or to both such fine and imprisonment.

(4) A registered taxpayer who collects tax on behalf of the revenue and neglects to pay over the tax to the Commissioner General commits an offence and is liable on summary conviction in a Resident Magistrate's Court to a fine not exceeding one million dollars or of an amount equivalent to three times the tax payable, whichever is greater, or to imprisonment for a term not exceeding twelve months or to both such fine and imprisonment.

(5) A person, not being a registered taxpayer, who collects tax commits an offence and is liable on summary conviction in a Resident Magistrate's Court to a fine not exceeding five million dollars or to imprisonment for a term not exceeding twelve months or to both such fine and imprisonment.”.

Insertion of  
new sections  
56A, 56B,  
56C, 56D,  
56E, 56F and  
56G in  
principal Act.

**31.** The principal Act is amended by inserting next after section 56 the following as sections 56A, 56B, 56C, 56D, 56E, 56F and 56G—

“Offence of  
failure to  
keep  
records, etc.

**56A.** A registered taxpayer who fails—

- (a) to keep such accounts, books and records as are prescribed; or
- (b) without reasonable excuse, to produce—
  - (i) to an authorized person at such time and place as the authorized person may specify, any accounts, books, records or

other documents relating to the taxable activity carried on by the registered taxpayer; or

- (ii) at such times as an authorized person may specify, such other information as the authorized person may require or as may be prescribed,

commits an offence and is liable on summary conviction in a Resident Magistrate's Court to a fine not exceeding one million dollars or to imprisonment for a term not exceeding twelve months or to both such fine and imprisonment.

Offences  
relating to  
making false  
or misleading  
statement.

56B.—(1) A person commits an offence if he—

- (a) for the purposes of obtaining, whether for himself or for any other person, the issue, grant or renewal of any certificate of registration under this Act or any regulations made hereunder, or in relation to any other matter under this Act makes any declaration or statement which is false, incorrect or misleading in any material particular;
- (b) knowingly furnishes to an authorized person performing any duty in relation to this Act or any regulations made hereunder, a document that contains information which is false, incorrect or misleading in any material particular;
- (c) knowingly utters, produces, or makes use of any such declaration or statement or any such document containing any false, incorrect or misleading declaration or statement;

- (d) falsifies or amends any information contained in a certificate of registration; or
- (e) aids and abets or conspires with any person in the commission of an offence under paragraph (a), (b), (c) or (d).

(2) A person who commits an offence under subsection (1) is liable on summary conviction in a Resident Magistrate's Court to a fine not exceeding three million dollars or to imprisonment for a term not exceeding twelve months or to both such fine and imprisonment.

Offence of  
hindering,  
etc.  
authorized  
person.

56C. — (1) A person commits an offence if he—

- (a) wilfully hinders or obstructs an authorized person acting in the execution of his duties under this Act or any regulations made under the Act;
- (b) without lawful excuse, fails within a reasonable time to comply with any requirement of an authorized person exercising a power conferred on him under this Act or any regulations made under this Act;
- (c) personates or pretends to be an authorized person; or
- (d) assaults, threatens, intimidates, or uses threatening language or behaves in a threatening manner to any authorized person acting in the execution of his duties under this Act.

(2) A person who commits an offence under subsection (1) is liable on summary conviction in a Resident Magistrate's Court to a fine not exceeding

five hundred thousand dollars or to imprisonment for a term not exceeding six months or to both such fine and imprisonment.

Offence of  
improperly  
obtaining  
refund.

56D.—(1) A person (in this section called “the offender”) commits an offence if he, with intent to cause the refund to any person of any amount in excess of the amount properly so refundable—

- (a) causes or attempts to cause any person to default in the performance of any duty imposed upon that person by this Act or any regulations made under this Act; or
- (b) defaults in the performance of any duty imposed upon the offender by this Act or any regulations made under this Act.

(2) A person who commits an offence under subsection (1) is liable on summary conviction in a Resident Magistrate’s Court to a fine not exceeding one million dollars or to imprisonment for a term not exceeding twelve months or to both such fine and imprisonment.

Offences  
relating to  
invoices.

56E. A person who —

- (a) knowingly issues a tax invoice or represents to another person that tax is chargeable where—
  - (i) no tax is chargeable in respect of any supply to which such invoice or representation relates; or
  - (ii) the amount of tax shown or represented as being charged is in excess of the amount properly chargeable; or
  - (iii) there is no intention to make a taxable supply; or

- (b) fails to issue a tax invoice under section 22, commits an offence and is liable on summary conviction in a Resident Magistrate's Court to a fine not exceeding one million dollars or to imprisonment for a term not exceeding twelve months or to both such fine and imprisonment.

Offence for which no penalty is otherwise provided.

56F. A person who commits an offence under this Act for which no penalty is otherwise provided is liable on summary conviction in a Resident Magistrate's Court to a fine not exceeding one million dollars or to imprisonment for a term not exceeding twelve months or to both such fine and imprisonment.

Offence by body corporate.

56G. Where an offence against this Act is committed by a body corporate, the managing director, manager or other officer concerned in the management of that body corporate shall, without prejudice to the liability of the body corporate, be deemed to have committed the offence unless at the trial he proves that the offence was committed without his knowledge, consent or connivance or that he exercised all due diligence to prevent the commission thereof as he ought to have exercised having regard to the nature of his functions in the body corporate and the circumstances of the case."

Amendment of section 57 of principal Act.

32. Section 57 of the principal Act is amended by deleting the words "Commissioner of Taxpayer Audit and Assessment" and substituting therefor the words "Commissioner General".

Repeal and replacement of section 61 of principal Act.

33. Section 61 of the principal Act is repealed and the following substituted therefor—

"Result of agreement to evade tax.

61. Where the Commissioner General is of the opinion that—

- (a) an arrangement, whether in the form of an agreement or otherwise, has been



entered into between persons to evade the payment of tax due under this Act or to otherwise obtain a tax advantage in a manner that constitutes a misuse of the provisions of this Act;

- (b) having regard to the substance of the arrangement, it would be concluded that the arrangement was entered into or carried out for the sole or dominant purpose of enabling any one or more of those persons to evade the payment of tax or to otherwise obtain the tax advantage,

the Commissioner General shall treat the arrangement as void for the purposes of this Act and may determine the tax liability of each registered taxpayer or other person who has obtained a tax advantage as if the arrangement had not been entered into or carried out or in such manner as in the circumstances the Commissioner General considers appropriate for the prevention or reduction of the tax advantage.”.

**34.** The principal Act is amended by inserting next after section 61 the following as section 61A—

Insertion of  
new section  
61A in  
principal Act.

“Fictitious  
transactions  
with intent  
to reduce tax  
to be  
disregarded.

61A. Any transaction which, in the opinion of the Commissioner General, is one that reduces or would reduce the amount of tax payable by any person and is artificial or fictitious, or that results in full effect not being in fact given to any disposition, may be disregarded by the Commissioner General for the purposes of this Act; and the persons concerned shall be assessable accordingly.”.

**35.** Section 63(2) of the principal Act is amended by deleting the words “five thousand” and substituting therefor the words “five hundred thousand”.

Amendment  
of section 63  
of principal  
Act.

Insertion of  
new section  
64 in  
principal Act.

36. The principal Act is amended by inserting next after section 63 the following as section 64—

“Minister  
may amend  
monetary  
penalties.

64. The Minister may, by order subject to affirmative resolution, amend the monetary penalties specified in this Act.”.

Amendment  
of First  
Schedule,  
Second  
Schedule and  
Third  
Schedule to  
principal Act.  
First  
Schedule.

37. The provisions of the First Schedule, Second Schedule and Third Schedules to the principal Act referred to in the first column of the First Schedule are amended in the manner specified in relation thereto in the second column of that Schedule.

Amendment  
of General  
Consumption  
Tax  
Regulations,  
1991.  
Second  
Schedule.

38. The provisions of the General Consumption Tax Regulations, 1991, referred to in the first column of the Second Schedule are amended in the manner specified in relation thereto in the second column of that Schedule.

Amendment  
of *Charities  
Act, 2013.*

39. The *Charities Act, 2013*, is amended by inserting after section 14 the following as section 14A—

“Specified  
public bodies  
may be  
treated as  
registered  
charitable  
organization.

14A. Notwithstanding section 14, the Minister responsible for finance may, by order published in the *Gazette*, specify certain public bodies or categories of public bodies in respect of which the requirement to register as a charitable organization under this Act in order to obtain relief applicable to registered charitable organization under the Acts specified in the Third Schedule shall not apply.”.

Amendment  
of Fiscal  
Incentives  
(Miscellaneous  
Provisions)  
Act, 2013.

40. Section 5(6) of the *Fiscal Incentives (Miscellaneous Provisions) Act, 2013*, is amended by deleting—

- (a) the words “1st day of July, 2014” wherever they appear and substituting therefor, in each case, the words “1st day of January, 2015”;

- (b) the words “ General Consumption Tax Act” where they appear a second time and substituting therefor the following—

“General Consumption Tax Act, so, however, that no proceedings, whether civil or criminal, shall be brought in any court of law against any person for failure to elect under section (3) to terminate that entitlement on or after the 1st day of July, 2014 and prior to the coming into operation of this Act and every such proceeding which may have been brought or commenced prior to the coming into operation of this Act, shall lapse and shall be deemed void.”.

## FIRST SCHEDULE

(Section 37)

*Amendment of First, Second and Third  
Schedules to Principal Act*

Provision	Amendment
First Schedule	
Part I— <i>Motor vehicles</i>	In paragraph 1 (a) of the Notes to Group III—Second Sale in Jamaica of Motor Vehicles, delete the word “eight” and substitute therefor the word “ten”.
Part II— <i>Items which are Zero-rated</i>	<p>1. In Group 2—</p> <p>(a) insert the following as item 7—</p> <p>“7. Fishing apparatus, gear, boats and engines (but not including outboard motors exceeding a maximum of 75hp), equipment and parts thereof which the Commissioner General is satisfied is imported or purchased by or on behalf of or taken out of bond by commercial fishermen solely for use by them in the capture of fish for sale.”;</p> <p>(b) delete item 8 and substitute therefor the following as item 8—</p> <p>“8. Fertilizers under Tariff Heading Nos. 3101.00, 3103.00, 3104.00 and 3105.00, and herbicides, fungicides, plant growth regulators, nematocides, rodenticides, veterinary preparations and molluscides.”; and</p> <p>(c) insert next after item 8 the following as item 9—</p> <p>“9. Insecticides under Tariff Heading No. 38.08 which the Commissioner General is satisfied are intended for use exclusively in agriculture.”.</p> <p>2. In Group 4, insert next after item 2 the following as item 3—</p> <p>“3. Goods purchased or taken out of bond and services performed under a contract, the payment for</p>

## Provision

## Amendment

which is by a foreign government or multilateral lending agency.”.

3. Delete Group 6.

4. In Group 8 delete item 7 and substitute therefor the following—

“7. Goods (excluding motor vehicles, alcoholic beverages, motor spirit, kerosene and diesel oils and goods purchased for fundraising events) purchased by and services rendered to—

(a) an educational institution recognized as such by the Minister responsible for education, for its own use and so certified by the head of that educational institution; and

(b) from funds, for which the educational institution is accountable.”.

5. In Group 9, insert the following as items 10 and 11—

“10. A supply of goods where the goods are not situated in Jamaica at the time of supply and are not to be imported into Jamaica by the supplier for consumption in Jamaica.

11. Goods or services which the Commissioner General is satisfied are purchased in Jamaica, or imported or taken out of bond in Jamaica, by or on behalf of the Jamaica Defence Force.”.

6. In Group 10, insert next after item 7 the following as items 8 and 9—

“8. A supply by a registered taxpayer to another registered taxpayer of a taxable activity, or an independent part of a taxable activity that is capable of separate operation, as a going concern, if the Commissioner General is satisfied that the sale, transfer or other disposition is done in accordance with regulation 28.

## Provision

## Amendment

9. Printing services for the production of printed matter (excluding newspaper and religious materials) articles and materials classified under Tariff Headings 49.01 to 49.05, such as—
- (a) books, booklets, brochures, pamphlets and leaflets;
  - (b) journals and periodicals, whether or not illustrated;
  - (c) children's picture books and painting books; and
  - (d) maps and hydrographic charts and similar charts of all kinds, including atlases, wall maps and topographical plans, printed globes (whether terrestrial and celestial).".
7. In item 1 of Group 11, delete—
- (a) the words "each of a value" and substitute therefor the words "in respect of the amount of value"; and
  - (b) paragraph (b).
8. Insert next after Group 15 the following as Groups 15A and 15B—
- " GROUP 15A—*Goods and Services  
Purchased in Jamaica  
for Use in Free Zone*
- 1. Goods and services (except utilities such as electricity services and telecommunications services) which the Commissioner General is satisfied are purchased in Jamaica by a Free Zone Promoter or an approved enterprise for use in a Free Zone designated as such under the Jamaica Export Free Zones Act.
  - 2. In this Group, "approved enterprise" and "Free Zone Promoter" have the meanings assigned to them, respectively, by the *Jamaica Export Free Zones Act*.

## Provision

## Amendment

GROUP 15B—*Goods Purchased in Jamaica  
for Use in Hotels or Resort  
Cottages*

1. Goods which the Commissioner General is satisfied are—

- (a) purchased in Jamaica by a continuing beneficiary for use in a hotel or a resort cottage; and
- (b) purchased before the termination date in respect of that continuing beneficiary.

2. In this Group—

“continuing beneficiary” has the meaning assigned to it by the *Fiscal Incentives (Miscellaneous Provisions) Act, 2013*;

“hotel” means any building, or group of buildings within the same precinct containing or intended to contain when complete an aggregate number of no less than ten bedrooms and facilities for meals for the accommodation of transient guests, including tourists, for reward, together with the precinct thereof and all other buildings and structures within such precinct;

“precinct” means the area of land within which the buildings and structures comprising the hotel are constructed or intended to be constructed;

“resort cottage” means any building containing or intended to contain when completed not less than two furnished bedrooms, a furnished living room, bathroom facilities and facilities for the preparation and consumption of meals, and used or intended to be used for the accommodation of transient guests, including tourists, for reward;

“termination date” has the meaning assigned to it by the *Fiscal Incentives (Miscellaneous Provisions) Act, 2013*;

Provision	Amendment
	<p><i>Act, 2013;</i></p> <p>“transient guest” means, in relation to a resort cottage, any person occupying a resort cottage for hire for a period not exceeding sixty days in any year.”.</p> <p>9. In Group 19, insert the following—</p> <p><i>“Electricity Services</i></p> <p>The supply of electricity services to or for residential customers for private and domestic use.”.</p>
Part IV	Delete the word “Telecommunication” and substitute therefor the word “Telephone”.
Part IVA	Delete the effective date and substitute therefor the following as the effective date—
	“April 24, 2009”.
Part VI	<p>1. Delete the words “Tax shall be payable at a rate of 16.5% in respect of the supply of electricity to—” and substitute therefor the following—</p> <p><i>“[Deleted by L.N. 13/2013];”.</i></p> <p>2. Delete paragraph (b) and substitute therefor the following—</p> <p><i>“[Deleted by L.N. 13/2013];”.</i></p>
Part VII	<p>Insert next after paragraph 2(g) the following as paragraph (h)—</p> <p>“ (h) goods imported under Parts 5, 6, 7 and 8 of the Third Schedule to the Customs Tariff (Revision) Resolution, 1972, which are exempt from customs duties.”.</p>



Provision	Amendment												
<b>Part VIII</b>	Delete Part VIII and substitute therefor the following—												
	<b>Part VIII—<i>Imported Matters, Articles and Material</i></b>												
	<table> <tr> <th data-bbox="756 457 854 484">Category</th><th data-bbox="1029 457 1187 484">Effective Date</th></tr> <tr> <td data-bbox="643 491 995 735">1. Tax shall be payable at a rate of 2 per cent in respect of any locally supplied or imported printed matter (excluding newspaper and religious materials) articles and materials classified under Tariff Headings 49.01 to 49.05, such as—</td><td></td></tr> <tr> <td data-bbox="683 761 1198 817">(a) books, booklets, brochures, pamphlets and leaflets;</td><td></td></tr> <tr> <td data-bbox="683 844 1174 900">(b) journals and periodicals, whether or not illustrated;</td><td></td></tr> <tr> <td data-bbox="683 926 1219 983">(c) children's picture books and painting books; and</td><td></td></tr> <tr> <td data-bbox="683 1009 1198 1129">(d) maps and hydrographic charts and similar charts of all kinds, including atlases, wall maps and topographical plans, printed globes (whether terrestrial and celestial).</td><td></td></tr> </table>	Category	Effective Date	1. Tax shall be payable at a rate of 2 per cent in respect of any locally supplied or imported printed matter (excluding newspaper and religious materials) articles and materials classified under Tariff Headings 49.01 to 49.05, such as—		(a) books, booklets, brochures, pamphlets and leaflets;		(b) journals and periodicals, whether or not illustrated;		(c) children's picture books and painting books; and		(d) maps and hydrographic charts and similar charts of all kinds, including atlases, wall maps and topographical plans, printed globes (whether terrestrial and celestial).	
Category	Effective Date												
1. Tax shall be payable at a rate of 2 per cent in respect of any locally supplied or imported printed matter (excluding newspaper and religious materials) articles and materials classified under Tariff Headings 49.01 to 49.05, such as—													
(a) books, booklets, brochures, pamphlets and leaflets;													
(b) journals and periodicals, whether or not illustrated;													
(c) children's picture books and painting books; and													
(d) maps and hydrographic charts and similar charts of all kinds, including atlases, wall maps and topographical plans, printed globes (whether terrestrial and celestial).													
<b>Second Schedule</b>													
<b>Part A</b>	1. In item 2, delete the words "Denatured ethanol" and substitute therefor the word "Ethanol".												

## Provision

## Amendment

2. Delete items 3, 4 and 5 and substitute therefor the following—

Tariff Heading No.	Description of Goods	Unit for Tax	Rate of Tax
Ex 2203.00 to 2209.00	3a. Spirits, beers and stouts	Litre of pure alcohol	\$1,120.00
	3b. Spirits (other than those speci- fied in paragraph 3a) acquired (im- ported or purchased locally) by a manu- facturer of a strength exceeding 90% of alcohol by volume (at the temperature of 20 degrees Cel- sius as ascertained by the OIML Density Reading Hydro- meter and the Table of Calcula- tions to be used in connection there- with) for direct use in the manufacture of goods and which qualify for relief from customs duty under Part 5 of the Third Schedule to the Customs Tariff (Revision) Resolution, 1972.	Litre	\$16.32
Ex. 22.04	4. Wines and other alcoholic beverages produced by fermen- tation.	Litre of pure alcohol	\$1,120.00
Ex 2208.902 Ex. 24.01	5. Cordials and liqueurs.	Litre of pure alcohol	\$1,120.00".

**Provision****Amendment**

3. In item 6, relating to Tariff Heading No. Ex. 24.01, delete the rate of tax of "\$10.50" and substitute therefor a rate of tax of "\$1.05".

4. Insert next after item 9(h) relating to Tariff Heading No. Ex.27.10 the following as item 10 under the appropriate columns—

<b>Tariff Heading No.</b>	<b>Description of Goods</b>	<b>Unit for Tax</b>	<b>Rate of Tax</b>
Ex. 8543	Electronic cigarettes, complete	Per stick	\$10.50
Ex.3824	Electronic cigarettes, cartridge, including refill	Per single use refill	\$10.50
	Electronic cigarettes, liquid	Per 0.1 ml	\$10.50".

**Part B**

1. Insert next after item 10 of Part A the following heading and subheading—

" **PART B**

*Energy Efficient Vehicles"*

2. In item (a), relating to buses under Tariff Heading No. Ex. 87.02, delete the rates of tax and substitute therefor the following rates of tax under the appropriate heading, that is to say—

<b>"Rate of Tax on Imports by Dealer (Gas)</b>	<b>Rate of Tax on Imports by Individuals (Gas)</b>	<b>Rate of Tax on Imports by Dealer (Diesel)</b>	<b>Rate of Tax on Imports by Individuals (Diesel)</b>
13%	25%	5%	15%

3. Delete the item relating to Tariff Heading No. Ex. 87.03 10.

## Provision

## Amendment

4. Insert next after the item relating to Tariff Heading No. Ex. 87.03 the following heading and item—

Tariff Heading No.	Descrip- tion of Goods	Unit for Tax	Rate of Tax				Effect- ive Date
			Rate of Tax on im- ports by Dealer (Gas)	Rate of Tax on im- ports by indi- viduals (Gas)	Rate of Tax on im- ports by Dealer (Diesel)	Rate of Tax on im- ports by indi- viduals (Diesel)	
	Motor vehicles speci- fied below motor cars and other motor vehicles Princi- pally de- signed for the trans- port of persons (other than those of Heading 87.02) including sport utility vehicles (SUV's), limou- sine, station wagons, racing	En- gine size less than 1000 cc 1000- 2000 cc (and up to 2200 cc for diesel)	0%	10%	0%	0%	June 15, 2012
		2001- 3500 cc	10%	20%	3%	10%	June 15, 2012
		exceed- ing 3500 cc	20%	30%	13%	20%	May 1, 2014

## Provision

## Amendment

Tariff Heading No.	Descrip- tion of Goods	Unit for Tax	Rate of Tax				
			Rate of Tax on im- ports by Dealer (Gas)	Rate of Tax on im- ports by indi- viduals (Gas)	Rate of Tax on im- ports by Dealer (Diesel)	Rate of Tax on im- ports by indi- viduals (Diesel)	Effect- ive Date

cars and  
buses  
which  
have less  
than 10  
seats  
including  
the driver's  
seat

5. In the third item relating to Tariff Heading No. Ex. 87.04, delete the words "Trucks commonly known as pick-ups for use in agricultural activity" and substitute therefor the words "Trucks commonly known as pickups (on the first US\$35,000 CIF value) for use in agricultural activity".

6. Delete the item relating to Tariff Heading No. Ex. 87.16 and insert next after the item relating to Tariff Heading No. Ex. 87.11 the following heading and item—

Chassis Attached to Motor Trailers				
Tariff Heading No.	Description of Goods	Rate of Tax		
		Rate of Tax on Imports by Dealer	Rate of Tax on Imports by individ- ual	Effective Date
87.16	Chassis attached to motor trailers	8%	10%	June 15, 2012

Provision	Amendment
Third Schedule	
Part I—Goods	<p>1. Insert next after item 6A the following as item 6B—</p> <p>“6B. Raw foodstuff imported from and originating in a country that is a member of the Caribbean Community (CARICOM) (excluding apples, pears, quinces, apricots, cherries, peaches, nectarines, plums, sloes, berries, grapes and kiwis).”.</p> <p>2. Delete item 55.</p>
Part II—Services	<p>1. Delete the full stop appearing at the end of item 1(e) and substitute therefor the following proviso—</p> <p>“so however, that the foregoing operations shall not include—</p> <ul style="list-style-type: none"> <li>(i) the installation in any building or structure of systems of heating, lighting, ventilation, power supply, drainage, sanitation, water supply, fire protection, air conditioning, elevators or escalators;</li> <li>(ii) the internal cleaning of buildings and structures so far as carried out in the course of their construction, alteration, extension, repair or restoration;</li> <li>(iii) painting the internal or external surface of any building or structure; and</li> <li>(iv) tillage operations.”.</li> </ul> <p>2. Delete item 14.</p> <p>3. Delete item 30</p> <p>4. Delete item 31.</p>

## SECOND SCHEDULE (Section 38)

*Amendment of General Consumption  
Tax Regulations, 1991*

<u>Provision</u>	<u>Amendment</u>
<b>Regulation 1A</b>	<p>Delete the regulation and substitute therefor the following—</p> <p>“1A. In these Regulations, “Commissioner” means the Commissioner General.”.</p>
<b>Regulation 2</b>	<p>1. Delete from the marginal note and paragraph (1) the word “Appendix” and substitute therefor the words “Fourth Schedule”.</p> <p>2. Delete paragraph (3) and substitute therefor the following as paragraphs (3), (4) and (5)—</p> <p>“ (3) For the purposes of section 27(1) (a) of the Act, the gross value of the applicant’s supplies shall not be less than three million dollars.</p> <p>(4) For the purposes of section 27(1) (b) of the Act, the average monthly value of the applicant’s supplies shall not be less than two hundred and fifty thousand dollars.</p> <p>(5) A person who carries on an activity which consists wholly of the supply of goods or services which are exempt from the payment of tax under the Act shall be exempt from making an application under paragraph (1) in respect of that activity.”.</p>
<b>Regulation 3</b>	<p>1. Delete paragraph (1) and substitute therefor the following as paragraph (1)—</p> <p>“ (1) The Commissioner shall, on receipt of an application for registration, register the applicant as a registered taxpayer where pursuant to section 27 of the Act the applicant is qualified to be so registered.”.</p> <p>2. Delete paragraph (2) and substitute therefor the following as paragraph (2)—</p> <p>(2) The certificate of registration issued to a registered taxpayer</p>

Provision	Amendment
	pursuant to section 27(2) of the Act shall be in the form set out as Form 2 in the Fourth Schedule.”.
	3. Delete paragraph (4).
Regulation 4	Delete.
Regulation 6	1. Delete the regulation and substitute therefor the following—
	6.—(1) For the purposes of the Act, the taxable period shall be one calendar month. “Taxable period.
	(2) Notwithstanding paragraph (1), the Commissioner may, where he considers it expedient so to do, direct a registered taxpayer to make a return at such time and in respect of such period as may be specified in the direction.”.
Regulation 7	Delete the regulation and substitute therefor the following—
	7.—(1) The return required by section 33 of the Act shall be— “Return and payment of Tax.
	(a) in the form set out in the Fourth Schedule as Form 4A, 4C, 4D or 4E, as is appropriate; Fourth Schedule Forms 4A, 4C, 4D and 4E.
	(b) furnished to the Commissioner by the registered taxpayer by the last working day of the month after the end of the taxable period; and
	(c) accompanied by the payment of the amount of tax, if any, payable by the registered taxpayer in respect of the taxable period.



## Provision

## Amendment

(2) The registered taxpayer, or a person duly authorized on behalf of the registered taxpayer to do so, shall execute the return required to be submitted under section 33 of the Act, and any other document required by the Commissioner to be submitted to the Commissioner.

(3) Where a registered taxpayer is a body corporate, a director, Secretary or other person duly authorized on behalf of the registered taxpayer to do so shall execute the return required to be submitted under section 33 of the Act, and any other document required by the Commissioner to be submitted to the Commissioner.

(4) In this regulation, "working day" means a day of the week that is not a Saturday, a Sunday or declared to be a Public General Holiday within the meaning of section 2 of the Holidays (Public General) Act."

New  
regulations  
7A and 7B.

Insert next after regulation 7 the following as regulations 7A and 7B—

"Tax with-  
holding  
entities.

7A.—(1) An entity specified in paragraph (2) (hereinafter referred to as a "tax withholding entity") to which a taxable supply is made by way of the supply of goods or services to the tax withholding entity shall, in accordance with this regulation—

- (a) deduct from the payment on account of the supply of the goods or services an amount equal to the tax payable on the supply of such goods and services; and
- (b) pay the amount so deducted over to the Commissioner.

## Provision

## Amendment

(2) The tax withholding entities to which paragraph (1) relates are—

- (a) a Ministry, an Executive Agency, an agency or a department of Government;
- (b) a statutory body or authority (including a body or authority specified in the Third Schedule);
- (c) any Parish Council or Municipal Council; and
- (d) the Council of the Kingston and St. Andrew Corporation.

Third  
Schedule.

(3) The accounting officer of a tax withholding entity specified in paragraph (2) shall be responsible for carrying out the functions of the tax withholding entity relating to the deduction and payment of the tax to the Commissioner .

(4) The functions of a tax withholding entity with respect to the taxable supplies made to it shall be to—

- (a) deduct and withhold the tax due at the rate applicable;
- (b) issue a withholding tax certificate to the registered taxpayer within fifteen days of receiving the tax invoice from the registered taxpayer;
- (c) by the end of the month following the last day of the taxable period in which the certificates were issued, prepare and file a tax return,

## Provision

## Amendment

in the form set out as Form 4F in the Fourth Schedule, accounting for the tax withheld; and

- (d) remit the tax payable on the return by the end of the month following the taxable period for which the withholding tax certificate was issued.

(5) A withholding tax certificate shall be in the form set out as Form 5 in the Fourth Schedule.

(6) For the purposes of paragraph (1), where a tax withholding entity makes a payment on account of a taxable supply made to another person and the payment constitutes a loan to that person, the taxable supply shall be treated as being made to the tax withholding entity and the provisions of this regulation shall apply accordingly.

(7) In this regulation, "accounting officer" has the definition assigned to it in section 2 of the *Financial Administration and Audit Act*.

Duty of registered taxpayer who supplies goods or services to tax withholding entity.

7B. A registered taxpayer who supplies goods or services to a tax withholding entity specified in regulation 7A (2) shall—

- (a) in the case of a tax withholding entity that is a registered taxpayer, issue a tax invoice containing the particulars specified in regulation 8 pursuant to section 22(a) of the Act;

Provision	Amendment
	<p>(b) in the case of a tax withholding entity that is not a registered taxpayer, issue a tax invoice containing the particulars in regulation 8 instead of the receipt required to be issued under section 22(b) of the Act;</p> <p>Forms 4A, 4D and 4E. (c) prepare and file a return in the form set out as Forms 4A, 4D or 4E (as may be applicable) in the Fourth Schedule and account for the tax in accordance with regulation 10; and</p> <p>Fourth Schedule. (d) collect a withholding tax certificate from the tax withholding entity.”.</p>
Regulations 8	<p>1. In paragraph (1), delete the words and figures “Subject to paragraphs (8) and (9),” and substitute therefor the word and figures “Subject to paragraph (8),”.</p> <p>2. In paragraph (2) delete the words “taxable supplies” and substitute therefor the words “prescribed goods”.</p> <p>3. Delete paragraph (9).</p>
Regulation 9	<p>1. Delete from paragraph (2)(b)(i), the words “of ten per cent” and substitute therefor the words “specified in section 4(1)(a) of the Act”.</p> <p>2. Delete paragraph (3).</p>
Regulation 10	<p>1. In sub-paragraph (1), delete the words “Subject to paragraph (2),” and substitute therefor the words “Subject to paragraphs (2) and (2A),”.</p>

**Provision**

**Amendment**

2. Insert next after paragraph (2) the following as paragraph (2A)—

“ (2A) Where a registered taxpayer makes a taxable supply under regulation 7A—

- (a) the taxable supply shall be deemed to occur during the taxable period in which the withholding certificate is issued to the registered taxpayer; and
- (b) the registered taxpayer shall account for the tax shown on the withholding tax certificate as output tax in the registered taxpayer's return for that taxable period.”.

3. Delete paragraph (3).

**Regulation 11**

1. In paragraph (1), insert immediately after the words “applicable thereto” the words “so, however, that the tax deferred in accordance with section 42 shall be treated as output tax.”.

2. Delete paragraph (3).

3. Delete from paragraph (4)—

- (a) the words “paragraphs (2) and (3)” and substitute therefor the words “paragraph (2)”; and
- (b) the definitions of “CPT”, “CPZ”, “M” and “TS” respectively.

**Regulation 12**

Delete.

**Regulation 13**

Delete.

**Regulation 14**

1. Delete the marginal note and substitute therefor the following as the marginal note—

“Tax credit  
for general  
consumption  
tax.”.

## Provision

## Amendment

## 2. In paragraph (1) —

- (a) delete the word and numerals “(6) and (6A),” and substitute therefor the word and numerals “(6), (6A) and (16);
- (b) insert immediately after the words “payable by him” the words “ under section 3 (1) of the Act,”; and
- (c) delete the words “and any other amounts specified in this regulation”.

## 2A. In paragraph (2), delete—

- (a) the word “and” from sub-paragraph (a);
- (b) sub-paragraph (b) and substitute therefor the following as sub-paragraphs (b) and (c)—
  - “(b) any input tax paid by that registered taxpayer on the importation of taxable supplies into Jamaica; and
  - (c) the tax chargeable on goods imported which is accounted for by the registered taxpayer on a return in accordance with section 42.”.

## 3. In paragraph (3), delete from sub-paragraph (b) and substitute therefor the following—

“(b) in respect of the exempt supplies, all of—

- (i) the input tax paid or payable in respect thereof, if and only if the exempt supplies are not more than 5 per cent of the value of the total supplies;
- (ii) the tax paid or payable by the registered taxpayer on goods (including machinery, equipment and spare parts) acquired by that person for use in the manufacture of any of the goods mentioned in Part 1 or 1C of the Third Schedule which, if the inputs were

**Provision**

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**Amendment**

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imported, would qualify for relief under Part 5 of the Third Schedule to the Customs Tariff (Revision) Resolution, 1972; and

- (iii) the tax chargeable on goods imported which is accounted for by the registered taxpayer on a return in accordance with section 42.”.

4. Delete the full stop appearing at the end of paragraph (4) and substitute therefor the words “which shall be arrived at by applying the following formula, that is to say—

$A \times \frac{B}{C}$  where—

C

- (a) A is the total amount of input tax credit chargeable on supplies and imports received by the registered taxpayer;
- (b) B is the value of all taxable supplies made by the registered taxpayer during the period; and
- (c) C is the value of all supplies made by the registered taxpayer during the period.”.

5. Insert next after paragraph (4) the following as paragraph (4A)—

“ (4A) Where a registered taxpayer is of the opinion that an alternative formula to that in paragraph (4) should be applied, that person shall apply to the Commissioner General for approval to use that formula.”.

6. In paragraph (5)—

(a) in sub-paragraph (b), delete from—

- (i) sub-sub-paragraph (i) the figures “6.5%” and substitute therefor the figures “7%”;

**Provision**

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**Amendment**

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(ii) sub-sub-paragraph (ii) the figures "15%" and substitute therefor the figures "16.5%"; and

(iii) sub-sub-paragraph (iii) the figures "13%" and "15%" and substitute therefor the figures "14% and 16.5%, respectively; and

(b) delete sub-paragraph (d).

7. In paragraph (5A), delete—

(a) the words "Part II of the Second Schedule" and substitute therefor the words "Part V of the First Schedule to the Act"; and

(b) the figures and word "5.9% of" and substitute therefor the words "the tax charged on".

8. In paragraph (5B), delete—

(a) the words "Part II of the Second Schedule" and substitute therefor the words "Part V of the First Schedule to the Act"; and

(b) the figures and word "2.95% of" and substitute therefor the figures and words "50% of the tax charged on".

9. Delete from paragraph (6) the words "in equal installments over a period of twenty-four months, commencing at the end of the month in which he acquires any motor vehicle exclusively for the provision of such services".

10. Delete paragraphs (6B), (6C), (6D) and (6E).

11. In paragraph (7), delete from paragraph (i) of the provision the words "Part II of the Second Schedule" and substitute therefor the words "Part V of the First Schedule to the Act".



## Provision

## Amendment

12. In paragraph (9), insert immediately after the words "refund of the excess" the words ", in accordance with section 46 of the Act."

13. Delete paragraph (10).

14. Insert next after paragraph (13) the following as paragraphs (14), (15), (16) and (17)—

" (14) A registered taxpayer who imports raw foodstuff as specified in Item 6 in the Third Schedule to the Act shall not be entitled to claim input tax payable on the raw foodstuff so imported.

(15) Where a registered taxpayer ceases to carry on a taxable activity or the taxpayer's certificate of registration has been cancelled and the registered taxpayer has failed to make a claim for a refund within the time specified in section 46(5) of the Act, the excess shall not be claimed in the form of credits thereafter."

(16) Subject to paragraph (17), a service importer who is liable to pay tax under section 23B(1)(a) of the Act in respect of imported services is entitled to claim as a credit any input tax payable by the service importer in respect of those imported services in accordance with the provisions of this regulation.

(17) A service importer is not entitled to claim a credit under paragraph (16) in respect of imported services that are received by the service importer from a connected person (in relation to the service importer) unless the service importer proves to the satisfaction of the Commissioner that—

- (a) the consideration payable by the service importer to the person who in relation to subsection (1) is a connected person

**Provision**

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**Amendment**

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New  
regulations  
14A and 14B.

Insert next after regulation 14 the following as  
regulations 14A and 14B—

“Tax credit  
for special  
consumption  
tax.

for the imported services does not  
exceed the market value of those  
services; and

- (b) the connected person has the capacity  
to supply the imported services to the  
service importer.”.

14A.—(1) A registered taxpayer who  
accounts for tax under section 9 of the  
Act shall, in respect of a taxable  
period, be entitled to claim as a credit,  
any input tax payable by him under  
section 9 of the Act, during that  
period.

(2) For the purposes of  
paragraph (1), the input tax in relation  
to which a credit may be claimed shall  
be the sum of—

- (a) any amount stated as tax on a  
tax invoice issued to the  
registered taxpayer under  
regulation 8(2) in respect of  
prescribed goods supplied to  
him during a taxable period;
- (b) any input tax paid by the  
registered taxpayer on the  
importation into Jamaica of  
prescribed goods other than  
motor vehicles;
- (c) tax chargeable on goods  
imported which is accounted  
for by the registered taxpayer  
on a return in accordance with  
section 42,

being prescribed goods used by the  
registered taxpayer in manufacturing  
prescribed goods.

## Provision

## Amendment

Tax credit in  
relation to tax  
withholding  
entities.

14B.—(1) A registered taxpayer who accounts for tax pursuant to regulation 10(2A) may claim a tax credit for the amount stated on any withholding tax certificate issued to him in a taxable period on his return for that taxable period.”.

## Regulation 18

Delete sub-paragraph (b) and substitute therefor the following as sub-paragraph (b)—

“(b) services—

- (i) which are supplied to a recipient who uses or obtains the advantage or benefit of the service outside of Jamaica;
- (ii) which are effectively used or enjoyed at the time and place where they are physically performed and the performance of the services takes place outside of Jamaica; and
- (iii) supplied to a non-resident in relation to immovable property situate outside of Jamaica.”.

## Regulation 23

Insert next after paragraph (2) the following as paragraph (3)—

“ (3) Where pursuant to the Act and regulation 28 a person is entitled to acquire a taxable activity or a part thereof at a zero-rate of tax, the person shall supply the Commissioner General with proof, to the satisfaction documentary of the Commissioner General, of the sale, transfer or other disposition of the taxable activity or part thereof.”.

## Provision

## Amendment

New  
regulation 28

Insert next after regulation 27 the following as regulation 28—

“Characteris-  
tics of going  
concern.

28. For the purposes of section 18(9) and paragraph 8 of Group 10 in Part II of the First Schedule to the Act, the sale, transfer and other disposition referred to in this paragraph shall have the following characteristics in order to be subject to a zero-rate of tax—

- (a) the sale, transfer or other disposition of the activity is from one registered taxpayer to another;
- (b) the activity is a going concern at the time of the sale, transfer or other disposition;
- (c) the assets to be sold, transferred or otherwise disposed of are intended for use by the new owner in carrying on the same kind of business;
- (d) there shall not be a series of sales, transfers or other dispositions of the business;
- (e) there is no significant break in the normal trading pattern before or immediately after the sale, transfer or other disposition;

**Provision**

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**Amendment**

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- (f) both parties to the transaction agree in writing that there is a supply of a going concern;
- (g) both parties to the transaction intend that the activity is capable of being carried on as a going concern by the purchaser; and
- (h) there is a supply of all the assets that are central to the taxable activity or part thereof that is the subject of the sale, transfer or other disposition.”.

**First Schedule**

1. Delete item 1.

2. In item 2—

- (a) delete the full stop appearing at the end of paragraph (b) and substitute therefor a semicolon; and
- (b) insert next after paragraph (b) the following as paragraph (c)—
  - “(c) the supply of electricity nationwide to residential, commercial and industrial customers.”.

**Second  
Schedule**

Delete Parts I, II and the forms appearing after.

Provision	Amendment
New Third Schedule and Fourth Schedule	<p>Insert next after the Second Schedule the following—</p> <p>“                      THIRD SCHEDULE                      (Regulation 7A (2)(b))</p> <p><i>Specified Statutory Bodies and Authorities Included in List of Tax Withholding Entities</i></p> <ol style="list-style-type: none"> <li>1.     Air Jamaica Limited</li> <li>2.     Airports Authority of Jamaica</li> <li>3.     Bank of Jamaica</li> <li>4.     Betting, Gaming and Lotteries Commission</li> <li>5.     Development Bank of Jamaica Limited</li> <li>6.     H.E.A.R.T. Trust</li> <li>7.     Jamaica Deposit Insurance Corporation</li> <li>8.     Jamaica Mortgage Bank</li> <li>9.     Jamaica Racing Commission</li> <li>10.    Jamaica Sugar Holdings Limited</li> <li>11.    National Housing Development Corporation</li> <li>12.    National Housing Trust</li> <li>13.    National Insurance Fund</li> <li>14.    National Investment Bank of Jamaica</li> <li>15.    National Water Commission</li> <li>16.    Petrojam Limited</li> <li>17.    Petroleum Corporation of Jamaica</li> <li>18.    Port Authority of Jamaica</li> <li>19.    Sugar Industry Authority</li> <li>20.    Transport Authority</li> <li>21.    Urban Development Corporation</li> </ol>

Provision

Amendment

FOURTH SCHEDULE  
Forms(Regulations 2, 3, 7,  
7A(4)(c), 7A(5) and  
7B(c))THE GENERAL CONSUMPTION TAX ACT  
APPLICATION FOR GENERAL CONSUMPTION TAX REGISTRATION FORM 1

▶ PLEASE SEE INSTRUCTIONS OVERLEAF BEFORE COMPLETING THIS FORM

SECTION A	
Type of application (Tick appropriate box(es))	
<input type="checkbox"/> First Application	<input type="checkbox"/> GCT
<input type="checkbox"/> Amended Application (If amended, complete only relevant boxes)	<input type="checkbox"/> SCT
1. Name/ Business Name	Taxpayer Registration Number (TRN)
2. Trade Name	
3. Telephone Number(s)	3(a) Fax Number(s)
3(b) E-mail Address	
4. Business Address (Apt. No., Street No. & Name, Postal Zone, Parish)	5. Business Mailing Address (If different from Business Address)
Code	Code
6. Date Business Acquired/Commenced	
GCT ▶ Year Month Day	SCT ▶ Year Month Day
7. Gross Income/Sales (i.e. Actual Sales before Expenses)	8. Commencement Date of Taxable Activities
Monthly Annual	Year Month Day
GCT ▶	GCT ▶ Year Month Day
SCT ▶	SCT ▶ Year Month Day
9. If sales turnover is below threshold, are you applying to be a GCT registered taxpayer? <input type="checkbox"/> Yes <input type="checkbox"/> No	
10. SPECIAL CONSUMPTION TAX ACTIVITIES - State the product(s) manufactured:	
<input type="checkbox"/> Alcoholic Beverages <input type="checkbox"/> Motor Spirits	Code
<input type="checkbox"/> Tobacco Products <input type="checkbox"/> Other (Specify)	Code
11. Would you like an officer from the Tax Department to contact you in order to explain the GCT Act?	12. Are your accounts computerized?
<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Partly
13. Directors or other Senior Officers/Partners:	Individual TRN
1) Name (Last, First, Middle)	Date Responsibility Commenced
Home Address	Year Month Day
	Title :
	Signature :
2) Name (Last, First, Middle)	Individual TRN
Home Address	Year Month Day
	Title :
	Signature :
3) Name (Last, First, Middle)	Individual TRN
Home Address	Year Month Day
	Title :
	Signature :
(List others, if applicable, on additional sheet and attach)	
PLEASE SEE OVERLEAF FOR CONTINUATION OF FORM	

<b>SECTION B</b>				
<b>14. GCT Taxable Activities:</b> <div style="display: flex; justify-content: space-between;"> <span>Primary:</span> <span>Secondary:</span> </div> <div style="display: flex; justify-content: space-between; margin-top: 10px;"> <div style="border: 1px solid black; width: 150px; height: 20px; position: relative;"> <span style="position: absolute; top: -10px; left: 50%; transform: translateX(-50%); font-size: 8px;">Code</span> </div> <div style="border: 1px solid black; width: 150px; height: 20px; position: relative;"> <span style="position: absolute; top: -10px; left: 50%; transform: translateX(-50%); font-size: 8px;">Code</span> </div> </div>				
<b>15. If you have more than one place of business, state the number of GCT certificates required in box and attach a list detailing the name and address of each</b>				
<b>SECTION C</b>				
<b>16. I declare that the information given in this form is to the best of my knowledge and belief a true and correct statement.</b>				
Name _____			Signature _____	
Title _____ <small>(State whether Proprietor, Partner, Director, Manager, Secretary, Office-holder in Club, Association, etc.)</small>			Date _____	
<b>FOR OFFICIAL USE ONLY</b>				
Documentation Process	Date	Initial	Type	Remarks:
Received			<input type="checkbox"/> GCT <input type="checkbox"/> SCT  Receiving Office: ▶  Date: ▶  Agency Code: ▶  (Official Stamp)	
Checked and Coded				
Further Info. Requested				
Approved/Refused				
Entered				
	GCT	SCT		
Registration Status/ Reason				
Period Length				
Basis Code				
Effective Date				
Processing Officer's Name		Processing Officer's Signature		
<b>INSTRUCTIONS</b>				
PLEASE TYPE OR PRINT THE REQUIRED INFORMATION. DO NOT USE A PENCIL. USE BLUE OR BLACK INK PEN ONLY. ALL DOLLAR VALUE AMOUNTS SHOULD BE ROUNDED TO THE NEAREST WHOLE NUMBER. ALL SECTIONS MUST BE COMPLETED. TICK ( ✓ ) APPROPRIATE BOX WHERE REQUIRED.				
<b>SECTION A</b> "Tick appropriate box" - (To be completed by All applicants) Indicate the type of application and if application is the first or amended/changed. If application is amended/changed, complete ONLY boxes for which information is being corrected.				
<b>BOXES 1 AND 2 - BUSINESS NAME AND TRADE NAME</b> <u>Sole Proprietors</u> : enter your first, middle and last name in Box 1 and trade name in Box 2. <u>Partnerships</u> : enter the legal name of the partnership as it appears in the agreement in Box 1 and trade name in Box 2. <u>Companies / Corporations</u> : enter the company's/ corporation's name as shown in the company's/ corporation's charter. <u>Trust</u> : enter the name of the trust in Box 1 and the first, middle, and last name of the grantor in Box 2.				
<b>BOX 4 - BUSINESS ADDRESS</b> Enter the address where the taxable activity is being carried on.				
<b>BOX 7 - GROSS INCOME/ SALES</b> Enter gross sales/ income for the month in which you are applying for registration plus the immediate eleven previous months. For new businesses, enter projected/ expected gross monthly/ annual sales.				
<b>SECTION B</b> <b>BOX 14 - GCT Taxable activities:</b> Primary: Enter description of MAIN business activity carried on. Secondary : Enter description of any other business activity carried on.				
PLEASE RETURN COMPLETED FORM TO THE NEAREST COLLECTORATE (TAX OFFICE)				



FORM 3



# Certificate of Registration

(PURSUANT TO THE GENERAL CONSUMPTION TAX ACT)

I hereby certify that

is a registered taxpayer under the General Consumption Tax Act with effect from

and that the registration number is

DATE

OFFICE

COMMONWEALTH OF MASSACHUSETTS



THE GENERAL CONSUMPTION TAX ACT  
**GENERAL CONSUMPTION TAX RETURN**

**FORM 4A**

*Please Read Instructions Overleaf before completing this Return*

<b>Section A: GENERAL INFORMATION</b> 1. Name of Business _____ 4. Address of Business _____		2. Taxpayer Registration Number (TRN) _____ 3. Return Period (Year-Month-Day to Year-Month-Day) 2 0 _____ 0 1 to 2 0 _____ 5. Tick if applicable. <input type="checkbox"/> New Address <input type="checkbox"/> Revised Return	
<b>Section B: SUPPLIES (Goods &amp; Services)</b> Total Supplies for Period _____ 6 _____			
Exempt Supplies _____ 7 _____		Export Supplies _____ 8 _____	
Zero Rated Supplies _____ 9 _____		= _____ 10 _____	
Taxable Supplies taxable at a positive rate (Subtract Line 10 from Line 6) _____ 11 _____			
<b>Section C: OUTPUT TAX</b>			
<b>SUPPLIES AT:</b> Tax Withholding Entities ▶ Standard Rate 12a _____ + 12b _____ = 12 _____ x _____ % = 13 _____ ▶ Other Rate(s) 14a _____ + 14b _____ = 14 _____ x _____ % = 15 _____ 15a _____ x _____ % = 15b _____		Supplies to Other Entities = 12 _____ x _____ % = 13 _____ = 14 _____ x _____ % = 15 _____ = 15a _____ x _____ % = 15b _____	
Imported Services (Exclude from Line 6 above) _____ 15c _____			
Output Tax on GCT Deferred/Postponed _____ 16 _____			
GCT Due on Goods Used for Exempt Activities, Personal Use and other Adjustments _____ 17 _____			
Total Output Tax (Add Lines 13, 15, 15b, 15c and 16) _____ 17 _____			
<b>Section D: INPUT TAX/TAX CREDIT</b>			
Total Local Purchases & Expenses that Qualify for Credit _____ 18 _____		GCT on Local Purchases & Expenses that Qualify for Credit (Transfer Line 06(e) of Schedule Coverleaf) _____ 19 _____	
GCT on Imports that Qualify for Credit (Transfer Line 07(e) of Schedule Coverleaf) _____ 22 _____		GCT Paid on Imports _____ 21 _____ + GCT Deferred/Postponed _____ 20 _____	
GCT on Capital Goods that Qualify for Credit (Transfer Line 08(e) of Schedule Coverleaf) _____ 23 _____		GCT withheld by Tax Withholding Entities (To claim, return must be e-filed and GCT Schedule B completed) _____ 23a _____	
GCT on Imported Services that Qualify for Credit (Transfer Line 09(e) of Schedule Coverleaf) _____ 24 _____		Adjustments - Specify: _____ 25 _____	
Total Input Tax (Add Lines 19, 20, 23, 23a, 23b and 24) _____ 25 _____			
<b>Section E: GCT PAYABLE / (CREDITABLE)</b>		<b>OFFICIAL USE</b>	
GCT Payable/(Creditable) _____ 26 _____			
Balance Brought Forward: Payable/(Creditable) _____ 27 _____			
Total (Add Lines 26 and 27) _____ 28 _____			
GCT Being Paid this Period _____ 29 _____			
If amount at Line 26 is negative, tick appropriate box at Line 30 _____ 30 <input type="checkbox"/> Refund <input type="checkbox"/> Credit			
<b>Section F: DECLARATION: (To be signed by Taxpayer only)</b> I declare that to the best of my knowledge and belief this is a true and correct statement of the information and particulars given on this form.			
Name of Responsible Officer _____ Signature _____		Title _____ Date _____	
<b>Representative's Details - (To be completed if prepared by person other than Taxpayer)</b>			
Preparer's Name (Individual/Firm) _____		Address _____	
TRN _____	Contact Number _____	Signature _____	Date _____

SCHEDULE C - GCT THAT QUALIFY FOR CREDIT					
<p>If you have no Exempt Supplies, enter amounts for relevant Line Items in columns (d) and (e) of Table below and transfer amounts to Line Items in Section D of form.</p> <p>If you have Mixed Supplies (both Exempt and Taxable Supplies), in column (b), enter Taxable Supplies as a percentage of Total Supplies ((Line 6 - Line 7) x 100/Line 6) to determine the Apportioned GCT OR you may use another basis if appropriate (If so, enter "Other Basis" in column (b)).</p> <p>Transfer amounts determined in column (e) to the relevant Lines in Section D; Transfer Line 06(e) to Line 19, Line 07(e) to Line 20, Line 08(e) to Line 23 and Line 09(e) to Line 23b.</p>					
	(a) GCT to be Apportioned (\$)	(b) Percentage of Taxable/Total Supplies (%)	(c) Apportioned GCT (\$) If %: (c) = (a) x (b)	(d) GCT not subject to Apportionment (\$)	(e) GCT that Qualifies for Credit (\$) (e) = (c) x (d)
<b>GCT ON:</b>					
Local Purchases & Expenses . . . . .	06				
Imports . . . . .	07				
Capital Goods . . . . .	08				
Imported Services . . . . .	09				

### INSTRUCTIONS

This form is to be completed by Registered taxpayers who are not using the Quick Method.

Taxpayers carrying out Tourism Activities prescribed in Part II of the Second Schedule of the General Consumption Tax Regulations, Item 12(1) should complete FORM 4D. Taxpayers carrying out General Insurance Activities should complete FORM 4E).

Please TYPE or PRINT the required information. Use blue or black ink pen only. Do not use a pencil. All dollar value amounts should be rounded to the nearest whole number.

#### Section A: GENERAL INFORMATION

Box 1: Name of Business - Enter information as stated on the GCT Certificate of Registration.

Box 2: Taxpayer Registration Number (TRN) - Enter number (TRN) commencing with the first box on the left.

Box 3: Return Period - Monthly Returns e.g. October 2000 enter: 2000-10-01 to 2000-10-31

Box 4: Address of Business - Enter the address from which the business operates.

Box 5: Please tick appropriate box to indicate new address or revised return.

#### Section B: SUPPLIES (Goods & Services)

Include all activities relating to supplies (sales) during the Return Period. For business enterprises in the service sector the value of sales must include the amount charged for Fees.

#### Section C: OUTPUT TAX

Calculate tax on supplies (sales) during the Return Period.

#### Section D: INPUT TAX/TAX CREDIT

Report tax paid on goods and services incurred in carrying on the taxable activity during the period.

Line 23a: GCT withheld by Tax Withholding Entities - Enter the total value of GCT withheld by Tax Withholding Entities (i.e. currently Government Entities) for the period. To claim this tax credit you must:

- Possess a "Certificate for GCT Withheld" (Form 5) issued by a Tax Withholding Entity.
- File your return online!

#### Section E: GCT PAYABLE/CREDITABLE

Line 27 should include penalty, interest and surcharge.

Where Output Tax exceeds Input Tax, the difference should be remitted to the Collector of Taxes plus any penalties, interest and/or surcharge balances from previous periods. Where Input Tax exceeds Output Tax, you are required to indicate how the credit should be treated by placing a tick in the appropriate box at Line 30.

**NOTE:** If a refund is requested and has not been received by the time the next Return is filed, do not take a credit against the tax due.

**FORM 4C**

**Please Read Instructions Overleaf before Completing this Return**

[illegible]



THE GENERAL CONSUMPTION TAX ACT  
**GENERAL CONSUMPTION TAX RETURN**  
 (TOURISM ACTIVITIES)

**FORM 4D**

*Please Read Instructions Overleaf before Completing this Return*

<b>Section A: GENERAL INFORMATION</b> 1. Name of Business		2. Taxpayer Registration Number (TRN)																					
4. Address of Business		3. Return Period (Year-Month-Day to Year-Month-Day) 2 0 1 to 2 0																					
5. Tick if applicable. <input type="checkbox"/> New Address <input type="checkbox"/> Revised Return																							
<b>Section B: SUPPLIES (Goods &amp; Services)</b> Total Supplies for Period ..... 6																							
Exempt Supplies      Gratuities      Export Supplies      Zero Rated Supplies 7      + 7b      + 8      + 9      = 10																							
Taxable Supplies taxable at a positive rate ..... 11																							
<b>Section C: OUTPUT TAX</b> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">SUPPLIES AT:</th> <th style="text-align: left;">Tax Withholding Entities</th> <th style="text-align: left;">Supplies to Other Entities</th> <th style="text-align: left;">Rate</th> </tr> </thead> <tbody> <tr> <td>▶ Standard Rate</td> <td>12a</td> <td>12b</td> <td>12</td> </tr> <tr> <td>▶ Other Rate(s)</td> <td>14a</td> <td>14b</td> <td>14</td> </tr> <tr> <td>▶ Tourism Rate</td> <td>03a</td> <td>03b</td> <td>03</td> </tr> <tr> <td></td> <td></td> <td>15a</td> <td>15b</td> </tr> </tbody> </table>				SUPPLIES AT:	Tax Withholding Entities	Supplies to Other Entities	Rate	▶ Standard Rate	12a	12b	12	▶ Other Rate(s)	14a	14b	14	▶ Tourism Rate	03a	03b	03			15a	15b
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<b>Section E: GCT PAYABLE / (CREDITABLE)</b> GCT Payable/Creditable ..... 26 Balance Brought Forward: Payable/(Creditable) ..... 27 Total (Add Lines 26 and 27) ..... 28 GCT Being Paid this Period ..... 29 If amount at Line 26 is negative, tick appropriate box at Line 30 <input type="checkbox"/> Refund <input type="checkbox"/> Credit		<b>OFFICIAL USE</b>																					
<b>Section F: DECLARATION: (To be signed by Taxpayer only)</b> I declare that to the best of my knowledge and belief this is a true and correct statement of the information and particulars given on this form.																							
Name of Responsible Officer		Title																					
Signature		Date																					
<b>Representative's Details - (To be completed if prepared by person other than Taxpayer)</b>																							
Preparer's Name (Individual/Firm)		Address																					
TRN	Contact Number	Signature	Date																				

SCHEDULE C - GCT THAT QUALIFY FOR CREDIT					
<p>If you have no Exempt Supplies, enter amounts for relevant Line Items in columns (d) and (e) of Table below and transfer amounts to Line Items in Section D of form.</p> <p>If you have Mixed Supplies (both Exempt and Taxable Supplies), in column (b), enter Taxable Supplies as a percentage of Total Supplies ((Line 6 - Line 7 - Line 7a) x 100/Line 6) to determine the Apportioned GCT OR you may use another basis if appropriate (if so, enter "Other Basis" in column (b)).</p> <p>Transfer amounts determined in column (e) to the relevant Lines in Section D; Transfer Line 06(e) to Line 19, Line 07(e) to Line 20, Line 08(e) to Line 23 and Line 09(e) to Line 23b.</p>					
	(a) GCT to be Apportioned (\$)	(b) Percentage of Taxable/Total Supplies (%)	(c) Apportioned GCT (\$) If % (c) = (a) x (b)	(d) GCT not subject to Apportionment (\$)	(e) GCT that Qualifies for Credit (\$) (e) = (c) + (d)
<b>GCT ON:</b>					
Local Purchases & Expenses . . . . .	06				
Imports . . . . .	07				
Capital Goods . . . . .	08				
Imported Services . . . . .	09				

### INSTRUCTIONS

This form is to be completed **ONLY** by Registered taxpayers carrying out Tourism Activities prescribed in Part II of the Second Schedule of the General Consumption Tax Regulations, Item 12(1). Please type or print the required information. Do not use a pencil. Use blue or black ink pen only. All dollar value amounts should be rounded to the nearest whole number. Complete all applicable Sections in A to F.

#### Section A: GENERAL INFORMATION

- Box 1: Name of Business - Enter Information as stated on the GCT Certificate of Registration.
- Box 2: Taxpayer Registration Number (TRN) - Enter number (TRN) commencing with the first box on the left.
- Box 3: Return Period - Monthly Returns e.g. October 2000 enter: 2000-10-01 to 2000-10-31.
- Box 4: Address of Business - Enter the address from which the business operates.
- Box 5: Please tick appropriate box to indicate new address or revised return.

#### Section B: SUPPLIES (Goods & Services)

Include all activities relating to supplies (sales) during the Return Period. For business enterprises in the service sector the value of sales must include the amount charged for Fees.

#### Section C: OUTPUT TAX

Calculate tax on supplies (sales) during the Return Period.

#### Section D: INPUT TAX/TAX CREDIT

NOTE: Line 22 "GCT Paid on Imports that Qualify for Credit" and Line 21 "GCT Deferred on Imports" are no longer applicable and have been removed from the form.

Report tax paid on goods and services incurred in carrying on the taxable activity during the period.

Line 23a: GCT withheld by Tax Withholding Entities - Enter the total value of GCT withheld by Tax Withholding Entities (i.e. currently Government Entities) for the period. To claim this tax credit you must:

- Possess a "Certificate for GCT Withheld" (Form 5) issued by a Tax Withholding Entity.
- File your return online!

#### Section E: GCT PAYABLE/CREDITABLE

Line 27 should include penalty, interest and surcharge.

Where Output Tax exceeds Input Tax, the difference should be remitted to the Collector of Taxes plus any penalties, interest and/or surcharge balances from previous periods. Where Input Tax exceeds Output Tax, you are required to indicate how the credit should be treated by placing a tick in the appropriate box at Line 30.

NOTE: If a refund is requested and has not been received by the time the next Return is filed, do not take a credit against the tax due.



THE GENERAL CONSUMPTION TAX ACT  
**GENERAL CONSUMPTION TAX RETURN**  
 (GENERAL INSURANCE ACTIVITIES)

**FORM 4E**

*Please Read Instructions Overleaf before Completing this Return*

<b>Section A: GENERAL INFORMATION</b> 1. Name of Business		2. Taxpayer Registration Number (TRN)	
4. Address of Business		3. Return Period (Year-Month-Day to Year-Month-Day) 2 0      0 1      2 0	
<b>Section B: SUPPLIES (Goods &amp; Services)</b> Total Supplies for Period		5. Tick if applicable. <input type="checkbox"/> New Address <input type="checkbox"/> Revised Return	
Exempt Supplies      Net Agency Activities      Zero Rated Supplies 7      +      7b      +      9      =      10		Taxable Supplies taxable at a positive rate	
<b>Section C: OUTPUT TAX</b> <b>SUPPLIES AT:</b>		11	
Supplies to Tax Withholding Entities      Supplies to Other Entities      Rate		12      13	
▶ Standard Rate 12a      +      12b      =      12      x      %      =      13		▶ Other Rate(s) 14a      +      14b      =      14      x      %      =      15	
Imported Services (Exclude from Line 6 above)		15a      x      %      =      15b	
Net GCT Remittances Collected (Column (h) Total, Schedule A overleaf)		05	
GCT due on Goods Used for Exempt Activities, Personal Use and other Adjustments		16	
Total Output Tax (Add Lines 13, 15, 15b, 05 and 16)		17	
<b>Section D: INPUT TAX/TAX CREDIT</b> Total Local Purchases & Expenses that Qualify for Credit		18	
GCT on Local Purchases & Expenses that Qualify for Credit (Transfer Line 06(e) of Schedule C overleaf)		19	
GCT on Imports that Qualify for Credit (Transfer Line 07(e) of Schedule C overleaf)		20	
GCT on Capital Goods that Qualify for Credit (Transfer Line 08(e) of Schedule C overleaf)		23	
GCT withheld by Tax Withholding Entities (To claim, return must be e-filed and GCT Schedule B completed)		23a	
GCT on Imported Services (Transfer Line 09(e) of Schedule C overleaf)		23b	
Adjustments - Specify:		24	
Total Input Tax (Add Lines 19, 20, 23, 23a, 23b and 24)		25	
<b>Section E: GCT PAYABLE / (CREDITABLE)</b> GCT Payable/(Creditable)		26	
Balance Brought Forward: Payable/(Creditable)		27	
Total (Add Lines 26 and 27)		28	
GCT Being Paid this Period		29	
If amount at Line 26 is negative, tick appropriate box at Line 30		30 <input type="checkbox"/> Refund <input type="checkbox"/> Credit	
<b>Section F: DECLARATION: (To be signed by Taxpayer only)</b> I declare that to the best of my knowledge and belief this is a true and correct statement of the information and particulars given on this form.		<b>OFFICIAL USE</b>	
Name of Responsible Officer      Title		Signature      Date	
Representative's Details - (To be completed if prepared by person other than Taxpayer)		Official Stamp	
Preparer's Name (Individual/Firm)      Address		Signature      Date	
TRN      Contact Number		Signature      Date	

SCHEDULE A - AGENCY ACTIVITIES							For the Return Period:
(a) Taxpayer Registration Number (TRN)	(b) Name of Insurance Company	Premiums			Commissions		(h) Net Remittance to Insurance Co. (h) = (e) - (g) (\$)
		(c) Taxable	(d) Non-Taxable	(e) GCT	(f) Amount	(g) GCT	
Transfer column (h) total to Section B, Line 05 - Overleaf							
TOTAL ▶							

SCHEDULE C - GCT THAT QUALIFY FOR CREDIT					
If you have no Exempt Supplies, enter amounts for relevant Line Items in columns (d) and (e) of Table below and transfer amounts to Line Items in Section D of form.					
If you have Mixed Supplies (both Exempt and Taxable Supplies), in column (b), enter Taxable Supplies as a percentage of Total Supplies ((Line 6 - Line 7 - Line 7b) x 100 / Line 6) to determine the Apportioned GCT OR you may use another basis if appropriate (if so, enter "Other Basis" in column (b)).					
Transfer amounts determined in column (e) to the relevant Lines in Section D; Transfer Line 06(e) to Line 19, Line 07(e) to Line 20, Line 08(e) to Line 23 and Line 09(e) to Line 23b.					
	(a) GCT to be Apportioned (\$)	(b) Percentage of Taxable/Total Supplies (%)	(c) Apportioned GCT (\$) If % (c) = (a) x (b)	(d) GCT not subject to Apportionment (\$)	(e) GCT that Qualifies for Credit (\$) (e) = (c) + (d)
<b>GCT ON:</b>					
Local Purchases & Expenses . . . . .	06				
Imports . . . . .	07				
Capital Goods . . . . .	08				
Imported Services . . . . .	09				

### INSTRUCTIONS

THIS FORM IS TO BE COMPLETED ONLY BY REGISTERED TAXPAYERS FILING GCT RETURNS WHO CARRY OUT GENERAL INSURANCE ACTIVITIES. IN ADDITION TO COMPLETING THE RETURN FORM, BROKERS AND AGENTS ARE REQUIRED TO COMPLETE SCHEDULE A - AGENCY ACTIVITIES (see below)

Please TYPE or PRINT the required information. Use blue or black ink pen only. Do not use a pencil. All dollar value amounts should be rounded to the nearest whole number.

#### Section B: SUPPLIES (Goods & Services)

Insurance Companies must enter in Box 7b the net premiums received from Brokers and Agents during the period.

#### Section C: OUTPUT TAX

Insurance Companies should not complete Line 05 of this Section as the tax has been remitted by Brokers or Agents. Brokers and Agents must complete this part based on data in Schedule A and will need to calculate the tax due and enter the amount at Line 05.

**NOTE:** If a refund is requested and has not been received by the time the next Return is filed, do not take a credit against the tax



**FORM 4F**[illegible]

[illegible]

Passed in the House of Representatives this 17th day of September,  
2014 with eighteen (18) amendments.

**LLOYD B. SMITH**  
*Deputy Speaker.*



THE GENERAL CONSUMPTION TAX ACT  
**CERTIFICATE FOR GENERAL CONSUMPTION TAX WITHHELD**

**FORM 5**

Certificate Number

<b>Section A: DETAILS OF TAX WITHHOLDING ENTITY</b>				
1. Name of Tax Withholding Entity			2. Taxpayer Registration Number (TRN)	
3. Address				
<b>Section B: DETAILS OF SUPPLIER</b>				
4. Name of Supplier			5. Taxpayer Registration Number (TRN)	
6. Address				
<b>Section C: DETAILS OF GCT CHARGED &amp; WITHHELD</b>				
Date of Invoice (dd-mmm-yyyy)	Invoice Number	Value of Supply (\$)	GCT Charged (\$)	GCT Withheld (\$)
Total				
<b>Section D: CERTIFICATION</b>				
<p>I hereby certify that the particulars given above are true.</p> <p><b>Name of Authorized Officer</b></p> <p><b>Title</b></p> <p><b>Signature</b></p> <p><b>Date</b></p>				

### MEMORANDUM OF OBJECTS AND REASONS

The General Consumption Tax Act imposes general consumption tax on goods and services. General consumption tax is a value added tax on consumption which is applied on the value added to goods and services at each stage in the production and distribution chain. It is included in the final price that the consumer pays for goods and services, whether imported or bought locally.

The Government has recognized the need for amendments to the General Consumption Tax Act in order to achieve greater efficiency and effectiveness in the system of tax collection and widen the tax net ultimately. The provisions of the Act which establish the offences under the Act do not adequately provide for certain types of offences. Some of the monetary and custodial penalties are inappropriate for the offences committed or unrealistic in light of current economic trends and, therefore, are no longer a serious deterrent to non-compliance with these provisions. In addition, there is the need to provide a standard method of calculating input tax credits in situations where there is a combination of a taxable and exempt supply of goods and services.

Consequently, this Bill seeks to *inter alia*—

- (a) improve the efficiency of the tax collection system by requiring persons who have acquired a taxable activity through purchase, transfer or other disposition to provide with the Commissioner General documentary proof of acquisition;
- (b) impose general consumption tax on services provided to a person who is resident in Jamaica by a non-resident or by a resident from a business carried on by a resident outside Jamaica;
- (c) amend the General Consumption Tax Regulations, 1991, so as to standardize the method of calculating input tax credits where there is a combination of a taxable and exempt supply of goods and services; and
- (d) widen the range of offences under the Act and bring the penalties for breach of those offences to appropriate and realistic levels.

PETER PHILLIPS, Ph.D., M.P.  
Minister of Finance and Planning.

**FORM 4F**[illegible]

[illegible]

Passed in the House of Representatives this 17th day of September,  
2014 with eighteen (18) amendments.

**LLOYD B. SMITH**  
*Deputy Speaker.*



THE GENERAL CONSUMPTION TAX ACT  
**CERTIFICATE FOR GENERAL CONSUMPTION TAX WITHHELD**

**FORM 5**

Certificate Number

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3. Address				
<b>Section B: DETAILS OF SUPPLIER</b>				
4. Name of Supplier			5. Taxpayer Registration Number (TRN)	
6. Address				
<b>Section C: DETAILS OF GCT CHARGED &amp; WITHHELD</b>				
Date of Invoice (dd-mm-yyyy)	Invoice Number	Value of Supply (\$)	GCT Charged (\$)	GCT Withheld (\$)
Total				
<b>Section D: CERTIFICATION</b>				
<p>I hereby certify that the particulars given above are true.</p> <p>Name of Authorized Officer</p> <p>Title</p> <p>Signature</p> <p>Date</p>				

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PETER PHILLIPS, Ph.D., M.P.  
Minister of Finance and Planning.



SECTIONS 2, 3 AND 4 OF THE PRINCIPAL ACT WHICH  
IT IS PROPOSED TO AMEND

2.—(1) In this Act unless the context otherwise requires—

“absolute alcohol” means 100 per cent alcohol by volume;

““approved charitable organization” has the meaning given to it under the Income Tax Act;

“authorized person” means an officer of a revenue department as defined in the Revenue Administration Act, a member of the Jamaica Constabulary Force or any other officer authorized by the Commissioner of Taxpayer Audit and Assessment, and any person acting in the aid of any such officer or member;

... ..

“hire-purchase agreement” has the same meaning as in the Hire-Purchase Act;

“input tax” in relation to a registered taxpayer means—

- (a) tax charged under section 3 (1) on the supply of goods and services made to that taxpayer or on the importation into Jamaica of goods and services by that taxpayer being goods and services required wholly or mainly for the purpose of making taxable supplies; or
- (b) tax charged under section 9 on the manufacture of prescribed goods or on the importation into Jamaica of such goods being prescribed goods acquired wholly or mainly for the purpose of manufacturing taxable supplies;

... ..

“open market value” means the amount of consideration in money (excluding tax) which the Commissioner of Taxpayer Audit and Assessment is satisfied would be payable in respect of a taxable supply by a person who is not a connected person in an arms length transaction;

“taxable activity” means any activity, being an activity carried on in the form of a business, trade, profession, vocation, association or club, which is carried on continuously or regularly by any person whether or not for a pecuniary profit, and involves or is intended to involve, in whole or in part, the supply of goods and services (including

services imported into Jamaica) to any other person for a consideration; but does not include—

- (a) any activity carried on essentially as a private recreational pursuit or hobby;
- (b) any engagement, occupation or employment under any contract of service or as a director of a company; or
- (c) any activity specified in the Third Schedule;

... ..

“taxable supply” means any supply of goods and services on which tax is imposed pursuant to this Act;

... ..

3.—(1) Subject to the provisions of this Act, there shall be imposed, from and after the 22nd day of October, 1991, a tax to be known as general consumption tax—

(a) ... ..

(b) on the importation into Jamaica of goods and services;

by reference to the value of those goods and services.

(1A) ... ..

(1B) General consumption tax shall be imposed on the manufacture in Jamaica of motor vehicles, as defined in section 11 of the *Road Traffic Act*, by any person who is not a registered taxpayer and the rate of such tax shall be the rate specified in relation to paragraph (e) of Group IV of Part I of the First Schedule.

... ..

(3) General consumption tax shall be payable in respect of the prescribed goods specified in Items 2, 3, 4, 5 and 6 of the Second Schedule.

(4) The prescribed goods specified in Item 1 of the Second Schedule are exempt from payment of general consumption tax.

4.—(1) General consumption tax shall—

(a) subject to paragraph (b), be at the rate of fifteen *per centum*;

... ..

SECTIONS 7 AND 8 OF THE PRINCIPAL ACT WHICH  
IT IS PROPOSED TO AMEND

7.—(1) Subject to subsections (2) and (3), the value of a taxable supply (other than a taxable supply referred to in section 8) shall, for the purposes of this Part, be determined in the following manner—

- (a) if the consideration for the supply consists wholly of money, then the value of the supply shall be the consideration, including special consumption tax, if any, but excluding general consumption tax;
- ...
- (c) if the supply is not the only matter to which the total consideration applies, then the value of the supply shall be taken as that part of the consideration applicable to the supply; or
- (d) if there is no consideration, the value shall be the cost incurred by the registered taxpayer in acquiring that supply.
- ...

8.—(1) Subject to subsection (2), the value of a taxable supply imported into Jamaica shall, for the purposes of this Part, be the aggregate of—

- (a) the value of that taxable supply for customs duty purposes;
- (b) the amount of customs duty payable;
- (c) any additional stamp duty on inward customs warrants; and
- (d) any special consumption tax payable in respect of that taxable supply.

(2) Where a taxable supply is imported into Jamaica by any person who is not a registered taxpayer, the value of that supply shall be the aggregate of—

- (a) the value specified in subsection (1); and
- ...

SECTION 8A OF THE PRINCIPAL ACT WHICH  
IT IS PROPOSED TO REPEAL

8A. In this Part and in Part IV “Commissioner” means the Commissioner of Taxpayer Audit and Assessment.

SECTIONS 13,14 AND 15 OF THE PRINCIPAL ACT  
WHICH IT IS PROPOSED TO AMEND

13.—(1) The value of prescribed goods (other than the prescribed goods referred to in subsections (2) and (3)) shall, for the purposes of special consumption tax, be determined in the following manner—

- (a) ...
- ...
- ...

(3) The value of cigarettes and petroleum products shall be determined in accordance with the Second Schedule.

14. Where the Commissioner is satisfied that diesel oil mentioned in the proviso to Item No. 1 (d) and (e) of the Second Schedule is intended for use by any company licensed to supply electricity for public purposes he may exempt such diesel oil from special consumption tax to the extent specified in that Schedule.

15.—(1) No special consumption tax shall be payable on any prescribed goods—

- (a) shipped as stores or exported; or
- (b) delivered in the Island for the use of the Jamaica Defence Force; or
- (c) permitted by regulations made under this Act to be used for any purpose free of tax and duly used for that purpose.

#### SECTION 18 OF THE PRINCIPAL ACT WHICH IT IS PROPOSED TO AMEND

18.—(1) For the purposes of this Act “supply” includes—

- (a) ...

(8) The matters specified in the Fourth Schedule shall constitute the provision of services.

#### SECTION 20 OF THE PRINCIPAL ACT WHICH IT IS PROPOSED TO AMEND

20.—(1) ...

(2) For the purposes of this Act, the tax payable by a registered taxpayer in respect of each taxable period shall—

- (a) in relation to taxable supplies other than prescribed goods and the taxable supplies specified in Part I of the First Schedule, be the amount arrived at after deducting the total amount of input tax or such portion thereof as may be prescribed from the total amount of output tax;
- (b) in relation to prescribed goods and the taxable supplies specified in Part I of the First Schedule, be the amount arrived at after deducting from the total amount of output tax such portion of the input tax as may be prescribed.

SECTIONS 23, 23A AND 24 OF THE PRINCIPAL ACT  
WHICH IT IS PROPOSED TO AMEND

23.—(1)... ..

(2) Tax shall not be payable pursuant to subsection (1) if—

(a) the taxable activity is transferred as a going concern to another registered taxpayer;

... ..

(c) the registered taxpayer proves to the satisfaction of the Commissioner of Taxpayer Audit and Assessment—

(i) ... ..

23A.—(1) Where a taxable activity consists of the supply of—

(a) tourist accommodation; or

(b) services offered to tourists through the operation of a tourism enterprise as defined in section 2 of the Tourist Board Act,

it shall be the responsibility of the operator of the accommodation or services to collect the tax chargeable in respect of that taxable activity and pay the tax to the Commissioner of Inland Revenue, in accordance with the provisions of section 33 (1).

... ..

24. Tax in respect of the supply in Jamaica or the importation into Jamaica of any taxable supply specified in Part II of the First Schedule shall be at a rate of zero per cent.

... ..

SECTIONS 27 AND 28 OF THE PRINCIPAL ACT  
WHICH IT PROPOSED TO AMEND

27.—(1) On receipt of an application under section 26 the Commissioner shall—

(a) subject to subsection (3), register the applicant as a registered person if the Commissioner is satisfied that the provisions of paragraph (b) do not apply to the applicant; or

(b) register the applicant as a registered taxpayer if the Commissioner is satisfied that—

(i) in the month of application and the eleven months immediately preceding, the gross value of the applicant's supplies is not less than three hundred thousand dollars; or

- (ii) in respect of a period of less than twelve months prior to the date of the application the average monthly value of the applicant's supplies is not less than twenty-five thousand dollars; or
- (iii) the applicant is a manufacturer of prescribed goods.

(2) Where a person is registered under subsection (1), the Commissioner shall send to that person—

- (a) in the case of a person registered under paragraph (a), a notice of registration;
- (b) in the case of a person registered under paragraph (b), a certificate of registration.

(3) Where a person who is registered under paragraph (a) of subsection (1) subsequently qualifies for registration under paragraph (b) of that subsection, he shall notify the Commissioner within twenty-one days of the date on which he becomes so qualified and the Commissioner shall thereupon issue that person with a certificate of registration as a registered taxpayer.

(4) A person who is registered under paragraph (a) of subsection (1) may apply to the Commissioner to be registered as a registered taxpayer and upon being so registered the provisions of this Act relating to a registered taxpayer shall apply to that person.

(5) Where the Commissioner is not satisfied that an applicant is qualified to be registered under this Act he shall notify the applicant in writing and shall state his reasons for the decision.

28.—(1) Where the Commissioner has reason to believe that a person who is liable to be registered under this Act is not so registered he shall by notice in writing inform that person accordingly and require him to make an application and to furnish such documents as the Commissioner thinks necessary within fourteen days of the date of the receipt of the notice.

(2) Where a person notified pursuant to subsection (1) fails to make application within the period specified in that subsection the Commissioner shall register that person and the provisions of section 27 (2) shall apply *mutatis mutandis* to registration under this section.

(3) Where pursuant to subsection (2), the Commissioner registers a person, the date of that person's registration shall be as follows—

- (a) in the case of a person liable to be registered as a registered person, the date on which that person commenced a taxable activity;

(b) in the case of a person—

- (i) liable to be registered as a registered taxpayer; or
- (ii) who was registered as a registered person and failed to notify the Commissioner that he subsequently qualified for registration as a registered taxpayer,

the date on which the gross value of supplies made by that person was equivalent to the respective amount specified in section 27(1) (b) (i) or (ii).

SECTIONS 31 AND 32 OF THE PRINCIPAL ACT WHICH  
IT IS PROPOSED TO REPEAL AND REPLACE

31.—(1) Subject to the provisions of this section, the Commissioner shall cancel the registration—

- (a) of any registered person if he is satisfied that the person is no longer carrying on a taxable activity; or
- (b) of any registered taxpayer if he is satisfied that the registered taxpayer no longer qualifies for registration as such.

(2) Before taking a decision under subsection (1), the Commissioner shall notify the person concerned in writing of his intention to do so, stating the reasons therefor.

(3) Any person notified pursuant to subsection (2) may, in accordance with section 40 (1), object to the proposed cancellation.

(4) If after considering any objections made under subsection (3) the Commissioner decides to cancel registration under this Act, he shall inform the registered person in writing of such decision and the right of appeal conferred by section 40, and where that person is a registered taxpayer he shall return the certificate of registration to the Commissioner.

32.—(1) Every person who is registered under this Act shall notify the Commissioner in writing of—

- (a) the transfer of ownership by him of his taxable activity or part thereof stating—
  - (i) the date on which ownership or part thereof is transferred;
  - (ii) the name of the new or part owner;
  - (iii) the address of the new or part owner;

- (b) any change in the name, address, constitution or nature of any taxable activity carried on by him;
- (c) any change of address from which, or the name in which any taxable activity is carried on by that person;
- (d) the date of cessation of his taxable activity; and
- (e) any change of persons who are partners in a partnership,

within twenty-one days of such transfer, change or cessation, as the case may be.

(2) A person who acquires a taxable activity or part thereof from a person registered under this Act shall so inform the Commissioner in writing within twenty-one days of the date of acquisition.

SECTION 36 OF THE PRINCIPAL ACT WHICH  
IT IS PROPOSED TO AMEND

36. Every registered taxpayer shall—

- (a) ...
- (b) if required by an authorized person, produce at such time and place as the authorized person may specify, any accounts, books, records or other documents relating to a taxable supply;

SECTIONS 38 AND 39 OF THE PRINCIPAL ACT  
WHICH IT IS PROPOSED TO AMEND

38.—(1) Where a registered taxpayer—

- (a) fails to furnish a return as required by this Act;
- (b) furnishes a return which appears to the Commissioner of Inland Revenue to be incomplete or incorrect,

that Commissioner shall refer the matter to the Commissioner of Taxpayer Audit and Assessment who shall make an assessment in writing of the tax payable by that registered taxpayer.

(2) Where the Commissioner of Inland Revenue is not satisfied with the calculations on any return furnished by a registered taxpayer or the basis on which the return is prepared, the Commissioner of Inland Revenue shall refer the matter to the Commissioner of Taxpayer Audit and Assessment who—

- (a) may make an assessment of the amount that he thinks the registered taxpayer ought to have stated on the return; and



- (b) shall in any such assessment, state the general basis on which it is made.

(4) The Commissioner of Taxpayer Audit and Assessment may, to the best of his judgment, make assessment of the tax chargeable on any goods which no longer form part of the taxable supply of a registered taxpayer and for which no satisfactory account can be given by that taxpayer.

... ..

(6) It shall not be lawful for the Commissioner of Taxpayer Audit and Assessment, after the expiration of six years from the end of any taxable period, to make an assessment or alter an assessment so as to increase the amount payable thereunder.

(7) Notwithstanding subsection (6), where a registered taxpayer with intent to defraud fails to make full disclosure of all the material facts necessary to determine the amount of tax payable for any taxable period it shall be lawful for the Commissioner of Taxpayer Audit and Assessment at any time to make or alter an assessment.

... ..

39. Except in proceedings on objection to an assessment under section 40—

- (a) no assessment made by the Commissioner of Taxpayer Audit and Assessment shall be disputed in any court on the ground that the person so assessed is not registered under this Act; and

... ..

#### SECTIONS 40 AND 41 OF THE PRINCIPAL ACT WHICH IT IS PROPOSED TO AMEND

40.—(1) Subject to subsection (2), if any person disputes an assessment made upon him or any other decision of the Commissioner of Taxpayer Audit and Assessment, he may, within thirty days of the date of service of the notice of the assessment or other decision, as the case may be, apply to the Commissioner of Taxpayer Audit Assessment by notice of objection in writing to review the assessment or other decision, as the case may be, stating precisely the grounds of his objection.

(2) The Commissioner of Taxpayer Audit and Assessment may, on receipt of a notice of objection under subsection (1), require the person giving such notice—

- (a) within such period (not being less than thirty days) as that Commissioner may specify, to make any return or furnish such particulars or produce such books of account or documents relating

to the taxable supply as, in the opinion of that Commissioner, are affected by the notice of objection; and

- (b) to appear before him to answer any lawful questions relevant to the matters under consideration.

... ..

(4) Where a person has objected to an assessment made upon him—

- (a) in the event of his agreeing with the Commissioner of Taxpayer Audit and Assessment as to the amount at which he is liable to be assessed, the assessment shall be confirmed or amended accordingly; or

... ..

(6) Where the Commissioner of Taxpayer Audit and Assessment is satisfied that owing to absence from the Island, sickness or other reasonable cause, a person was unable to make application under subsection (1) within the period specified for an objection to be made, he shall extend the period as may be reasonable in the circumstances.

... ..

41.—(1) A person who is dissatisfied with a decision of the Commissioner of Taxpayer Audit and Assessment, relating to an assessment made upon that person may appeal to the Commissioner of Taxpayer Appeals within thirty days of the date of receiving the Commissioner's decision:

Provided that the Commissioner of Taxpayer Appeals upon being satisfied that owing to absence from the Island, sickness or other reasonable cause, the person disputing the assessment was prevented from making the application within such period, shall extend the period as may be reasonable in the circumstances.

... ..

(5) The Revenue Court may, on an application by the Commissioner of Taxpayer Audit and Assessment, order that the amount assessed or such portion thereof as the Court may specify, be paid or security be given therefor in such form an amount as may be approved by the Commissioner or the Court, as a condition precedent to the hearing of an appeal under this section.

... ..

#### SECTION 42 OF THE PRINCIPAL ACT WHICH IT IS PROPOSED TO AMEND

42.—(1) The Commissioner of Inland Revenue may defer payment of tax where he is satisfied that the registered taxpayer making application for deferment has made returns as required by this Act and has paid all tax under this Act (except the tax which is the subject of the application for deferment) which he is liable to pay.

(2) Where a registered taxpayer whose taxable activity is manufacturing, imports a taxable supply to be used in that taxable activity as raw materials, consumables, intermediate goods or spare parts, the Commissioner of Inland Revenue may, on application being made to him, defer payment of tax to the time when the registered taxpayer is required to furnish a return and make payment pursuant to this Act.

(3) Where the Commissioner of Inland Revenue defers the payment of tax under subsection (1) or (2) he may require the registered taxpayer to deposit with him security in such form and amount and upon such terms as the Commissioner may determine.

(4) In subsection (2)—

“consumables” means materials (excluding lubricating oils or fuel for use in internal combustion engines) and articles consumed or expended by manufacturers or producers directly in the process of manufacture or production including the development of prototypes;

“intermediate goods” means goods which have been transformed from their natural state by being worked or processed but which have to undergo further working or be incorporated in an assembly process or combined with some other goods or material to become finished products;

“raw materials” means natural or primary goods which have not been worked or processed but the preservation of which is ensured during transportation or storage so that the original characteristics are unaltered or remains substantially unaltered.

#### SECTIONS 45 AND 46 OF THE PRINCIPAL ACT WHICH IT IS PROPOSED TO AMEND

45. Where a person who is not a registered taxpayer purchases a taxable supply from a registered taxpayer for the purpose of exporting such supply or shipping the supply as stores that person may, on the exportation or shipment thereof, make application in the prescribed form to the Commissioner of Taxpayer Audit and Assessment for a refund of the tax paid on that supply and the Commissioner may, on being satisfied that the supply was so purchased and exported or shipped as stores, as the case may be, refund the tax.

46.—(1) Subject to subsections (2), (3) and (4), where a registered taxpayer proves to the satisfaction of the Commissioner of Taxpayer Audit and Assessment that he has, in any taxable period, paid tax in excess of the amount with which he is properly chargeable that person shall be entitled to a refund of the amount paid in excess.

(5) No refund of tax paid in excess shall be made if application for such refund is made after the expiry of six years from the last day of the taxable period in which the excess tax was paid.

(6) Subject to the provisions of this section, where any refund is not made within three months after the date on which the claim for such refund is received by the Commissioner of Inland Revenue, interest at a rate of two and one-half per cent per month or part thereof shall be payable to the taxpayer as respects the period beginning immediately after the end of three months aforesaid and ending on the date on which the refund is made.

#### SECTION 48 OF THE PRINCIPAL ACT WHICH IT IS PROPOSED TO AMEND

48.—(1)...

(2) In addition to any other remedy provided under this Act, tax and any penalty, surcharge or interest payable thereon may be sued for and recovered in the Revenue Court or in a Resident Magistrate's Court by a Collector of Taxes as a debt due to the Government.

#### SECTIONS 54, 55 AND 56 OF THE PRINCIPAL ACT WHICH IT IS PROPOSED TO REPEAL AND REPLACE

54.—(1) Every person liable to be registered under this Act who fails to apply for such registration shall be liable—

- (a) in the case of a person liable to be registered as a registered person, to a penalty of two hundred dollars for each complete month of the period during which he is not registered; or
- (b) in the case of a person liable to be registered as a registered taxpayer, where that person is—
  - (i) an individual, to a penalty of five thousand dollars; or
  - (ii) a body corporate, to a penalty of ten thousand dollars,
 and interest at the rate of two and one-half per cent per month or part thereof, of the tax assessed in respect of the period aforesaid.

(2) Every person who fails to make a return under section 33 shall be liable—

- (a) in the case of—
  - (i) an individual, to a penalty of one thousand dollars; or
  - (ii) a body corporate, to a penalty of two thousand dollars;
 or

- (b) to a penalty of an amount equal to fifteen per cent of the tax which was due and payable in respect of the taxable period to which the return relates,

whichever is the greater.

(2A) Every person who fails to pay the full amount of tax due and payable under section 33 in respect of a taxable period shall be liable to a penalty of fifteen per cent of the amount unpaid.

(3) Where a registered taxpayer does not, on the prescribed date, make a return or pay tax for two or more taxable periods within a twelve month period that person shall, in addition to a penalty under subsections (2) and (2A), be liable to a surcharge, in respect of the third and each subsequent taxable period for which the return is not made or tax is not paid, of ten per cent of the amount of tax due and payable.

(4) Interest shall be chargeable at the rate of two and one-half per cent per month or part thereof on the amount of any tax, penalty or surcharge payable under this Act from the date on which such tax, penalty or surcharge becomes due until the date of payment thereof.

(5) Where the total amount under subsection (4) remains unpaid for one month or part thereof after it is due and payable interest shall be chargeable on that amount at the rate specified in that subsection until the date of payment thereof.

55. Any penalty, surcharge or interest payable under this Act may be added to any tax due and payable and may be recovered as if it were tax.

56.—(1) A registered taxpayer who—

- (a) uses for himself any taxable supply without paying tax thereon; or
- (b) fails to issue a tax invoice under section 22; or
- (c) fails to return to the Commissioner of Tax Administration Services a certificate of registration upon cancellation of his registration under section 31,

commits an offence under this Act.

(2) A registered taxpayer who fails—

- (a) to keep proper books of account, records or other documents relating to any taxable supply; or
- (b) to produce such books of account, records or other documents to an authorized person,

commits an offence under this Act.

(3) Any person who—

- (a) knowingly gives to an authorized person any false information relating to the carrying on of a business of a registered person registered under this Act;
- (b) falsifies any accounts relating to such business;
- (c) hinders any authorized person in the exercise of that authorized person's duty under section 51; or
- (d) aids and abets or conspires with any person in the commission of an offence under paragraph (a), (b) or (c),

commits an offence and is liable on summary conviction in a Resident Magistrate's Court to a fine not exceeding ten thousand dollars or to imprisonment for a term not exceeding twelve months or to both such fine and imprisonment.

(4) Any—

- (a) person who with intent to defraud the revenue, enters into any arrangement or agreement for the purpose of evading tax under this Act; or
- (b) registered taxpayer who with intent to defraud the revenue delivers from a factory or warehouse any prescribed goods without paying special consumption tax,

commits an offence and is liable on summary conviction in a Resident Magistrate's Court to a fine not exceeding ten thousand dollars or to imprisonment for a term not exceeding twelve months or to both such fine and imprisonment.

(5) A person who knowingly—

- (a) issues a tax invoice or represents to another person that tax is chargeable where—
  - (i) no tax is chargeable in respect of any supply to which such invoice or representation relates; or
  - (ii) the amount of tax shown or represented as being charged is in excess of the amount properly chargeable; or;
  - (iii) there is no intention to make a taxable supply;
- (b) issues a tax invoice which is incorrect in any material particular; or

- (c) makes any statement or declaration relating to any matter under this Act which is incorrect in any material particular,

commits an offence and is liable on summary conviction in a Resident Magistrate's Court to a fine not exceeding ten thousand dollars or to imprisonment for a term not exceeding twelve months or to both such fine and imprisonment.

(6) Any person who commits an offence for which no penalty is provided is liable on summary conviction in a Resident Magistrate's Court to a fine not exceeding five thousand dollars or to imprisonment for a term not exceeding six months or to both such fine and imprisonment.

(7) Where an offence against this Act is committed by a body corporate, the managing director, manager or other officer concerned in the management of that body corporate shall, without prejudice to the liability of the body corporate, be deemed to have committed the offence unless at the trial he proves that the offence was committed without his knowledge, consent or connivance or that he exercised all due diligence to prevent the commission thereof as he ought to have exercised having regard to the nature of his functions in the body corporate and the circumstances of the case.

#### SECTION 57 OF THE PRINCIPAL ACT WHICH IT IS PROPOSED TO AMEND

57. In any court proceedings the court may accept as evidence a copy or extract from any document or record, as the case may be, purporting to be signed by the Commissioner of Taxpayer Audit and Assessment, the Commissioner of Tax Administration Services or the Commissioner of Inland Revenue, as the case may be, as *prima facie* evidence of matters contained therein.

#### SECTION 61 OF THE PRINCIPAL ACT WHICH IT IS PROPOSED TO REPEAL AND REPLACE

61.—(1) Where the Commissioner of Taxpayer Audit and Assessment decides that an arrangement has been entered into between persons to evade the payment of tax due under this Act, the Commissioner shall treat the arrangement as void for the purposes of this Act and shall adjust the amount of tax payable by or, as the case may be, refundable to, any registered taxpayer who is affected by the arrangement, in such manner as the Commissioner may decide so as to counteract any tax advantage obtained by that registered taxpayer from or under that arrangement.

(2) In this section "arrangement" means any agreement, contract, plan or understanding (whether enforceable or not) and includes all steps and transactions preparatory to carrying it into effect.

**SECTION 63 OF THE PRINCIPAL ACT WHICH  
IT IS PROPOSED TO AMEND**

63.—(1)...

(2) Notwithstanding the provisions of section 29 of the Interpretation Act, regulations made under subsection (1) may provide for the imposition of penalties on summary conviction in a Resident Magistrate's Court not exceeding a fine of five thousand dollars or imprisonment for a term not exceeding six months or both such fine and imprisonment.

**FIRST, SECOND AND THIRD SCHEDULES TO THE GENERAL  
CONSUMPTION TAX AMENDMENT OF SCHEDULES)  
ORDER, 2013 WHICH IT IS PROPOSED TO AMEND**

FIRST SCHEDULE      (Sections 3, 4, 20, 24,  
44 and 63)

*Goods and Services Subject to General Consumption Tax*

**PART I — Motor Vehicles**

**Group III — Second Sale in Jamaica of Motor Vehicles**

**Sale of Motor Vehicle by a Person other than a Registered Taxpayer**

<u>Category</u>	<u>Rate of Tax</u>	<u>Effective Date</u>
	Sale of Motor Vehicle by a Person other than a Registered Taxpayer	

1. Motor cars, as defined  
in section 11 of the Road  
Traffic Act—

(a) ...

2. Trucks as defined in  
section 11 of the Road  
Traffic Act (including  
motor chassis, fitted  
with an engine, with or



Category	Rate of Tax	Effective Date
without cab) or buses—		
(a) not exceeding 1,524 kg of unladen weight;	\$10,000.00	June 15, 2012
(b) exceeding 1,524 kg of unladen weight, but not exceeding 3,048 kg of unladen weight;	\$10,000.00	June 15, 2012
(c) exceeding 3,048 kg of unladen weight.	\$15,000.00	June 15, 2012

NOTES: 1. No tax shall be payable in respect of the sale of any motor vehicle specified in this Group—

- (a) which at the time of the sale is over eight years old;

... ..

**PART II—Items which are Zero-rated**

**GROUP 1—Foodstuff**

1. [Deleted by L.N. 44A/2003]

... ..

**GROUP 2—Agriculture**

1. Animal Feeds, except pet food. June 15, 2012

... ..

6. [Deleted by L.N. 88/2012].

7. [Deleted by L.N. 235N/2012].

8. The following items of Tariff Heading Nos. 3101.00—3105.00, namely, fertilizers, herbicides, fungicides, plant growth regulators, nematicides, rodenticides.

**GROUP 4—Diplomatic and International Organizations** June 15, 2012

1. Articles for the use of and services performed for the Governor-General.
2. Articles imported into Jamaica or purchased in bond or directly from or services rendered by a registered taxpayer for the personal or official use of—
  - (a) heads of missions and international organizations;

- (b) non-Jamaican citizens who are members of the staff of a mission or an international organization other than members of the service staff;
- (c) non-Jamaican citizens who are trade commissioners and members of the staff of a trade commission other than service staff; or
- (d) Consular officers who are natives or citizens of the countries they represent and who are not engaged in any other business or profession in Jamaica.

GROUP 6—*Government*

June 15, 2012

1. Goods purchased or imported or taken out of bond by or on behalf of, and services rendered to—

- (a) a Ministry or department of Government;
- (b) a statutory body or authority other than those mentioned in paragraph 2;
- (c) *[Deleted by Act 21 of 1991];*

Category

Effective Date

- (d) any Parish Council or Municipality; or
  - (e) the Kingston and St. Andrew Corporation.
2. Paragraph 1 does not apply to the following organizations or their subsidiaries—

Air Jamaica Limited  
 Airports Authority of Jamaica  
 Bank of Jamaica  
 Betting, Gaming and Lotteries Commission  
 Development Bank of Jamaica Limited  
 H.E.A.R.T. Trust  
 Jamaica Deposit Insurance Corporation  
 Jamaica Mortgage Bank  
 Jamaica Racing Commission

Category	Effective Date
Jamaica Sugar Holdings Limited	
National Housing Development Corporation	
National Housing Trust	
National Insurance Fund	
National Investment Bank of Jamaica	
National Water Commission	
Petrojam Limited	
Petroleum Corporation of Jamaica	
Port Authority of Jamaica	
Sugar Industry Authority	
Transport Authority	
Urban Development Corporation	
GROUP 8— <i>Books, Education and Sports</i>	
1. Printed matter (excluding newspapers) articles and materials classified under Tariff Headings 49.01 to 49.05 acquired by or on behalf of the University of the West Indies, the University of Technology, Jamaica, the Northern Caribbean University and any other educational institution and any religious organization and Government institutions, recognized international organizations and diplomats, including—	June 15, 2012
(a) ... ..	
7. Goods (including computers, but excluding motor vehicles, alcoholic beverages, motor spirit, kerosene and diesel oils and goods purchased for fund raising events) purchased—	June 15, 2012
(a) ... ..	
GROUP 9— <i>Miscellaneous</i>	
1. <i>[Deleted by LN. 19C/2009].</i>	
... ..	
9. <i>[Deleted by L.N. 28I/2008].</i>	
GROUP 10— <i>Activities</i>	
1. <i>[Deleted by L N. 19A/1994].</i>	
... ..	
7. Sale of race horses.	June 15, 2013

GROUP 11—*Motor Vehicles*

1. Motor vehicles as defined in section 11 of the *Road Traffic Act* each of a value not exceeding US\$35,000 CIF which are imported by the following category of persons in the circumstances specified subject to such terms, conditions or restrictions as the Minister may, in writing, direct—

(a) ... ..

GROUP 19—*[Deleted by LN. 88/2012]*PART III—*[Deleted by L.N. 83/2012]*PART IV—*Supply of Telephone Service*

Category	Rate of Tax	Effective Date
1. Telecommunication services (including telephone cards, prepaid vouchers or prepaid air time) supplied by—	25%	March 1, 2013

(a) ... ..

PART IVA—*Telephone Instruments*

Tariff Heading Number of the First Schedule to the Customs Tariff (Revision) Resolution, 1972	Description of Goods	Rate of Tax	Effective Date
Ex. 85.17.11 85.17.12.10 85.17.18	Telephone instruments	25%	June 15, 2012

PART V—*Tourism Activities*

Category	Rate of Tax	Effective Date
Tourism activities consisting of supplying the services of—	10%	June 15, 2012
(a) a hotel;		
(b) a resort cottage;		
(c) a site or other facilities for camping;		

Category	Rate of Tax	Effective Date
(d) tourist accommodation not specified in paragraph (a), (b) or (c);		
(e) water sports;		
(f) an attraction;		
(g) a tour operator, pursuant to a licence issued under the Tourist Board Act.		
2. Notwithstanding section 7, the value of a taxable supply of any of the services specified in paragraph 1 shall not include the value of gratuities paid to employees.		June 15, 2012

## PART VI—Electricity

Tax shall be payable at a rate of 16.5% in respect of the supply of electricity to—

- (a) *[Deleted by L.N.88/2012];*
- (b) residential customers other than for private and domestic use;
- (c) *[Deleted by L.N.235N/2012];*
- (d) *[Deleted by LN.235N/2012].*

## PART VII—Advanced GCT Payment

1. ...	...	...	
2. For the avoidance of doubt, it is declared that the 5% Advanced GCT Payment specified in paragraph 1 shall not apply to the importation of the following goods, that is to say —			June 15, 2012
(a) ...	...	...	
(c) goods to which section 42 of the Act relates;			June 15, 2012
(g) imported raw foodstuff specified in Items 6 and 6A in the Third Schedule (excluding imported apples, pears, quinces, apricots, cherries, peaches, nectarines, plums, sloes, berries, grapes and kiwis).			June 15, 2012

## SECOND SCHEDULE (Section 2, 10, 13 and 14)

## PRESCRIBED GOODS SUBJECT TO SPECIAL CONSUMPTION TAX

NOTE: In this schedule references to Tariff Headings and Chapters are references to Tariff Headings and Chapters in the First Schedule to the Customs Tariff (Revision) Resolution, 1972.

## PART A

Tariff Heading No.	Description of Goods	Unit for Tax	Rate of Tax	Effective Date
Ex. 22	1. <i>[Deleting by L.N. 83/2012].</i>			
Ex. 22	2. Denatured ethanol—	Litre	\$16.32 <i>plus ad valorem tax as follows—</i>	June 15, 2012
	(a)			
Ex. 2203.00 to 2209.00	3. Spirits and Beer— (excluding spirits to which a substance has, or substances have, been added to render such spirits noxious and non-potable where it is acquired by a manu- facturer—			June 15, 2012
	(a) spirits than speci- fied para- graph (b), (c)	Litre of pure alcohol	\$960.00	June 15, 2012

<u>Tariff Heading No.</u>	<u>Description of Goods</u>	<u>Unit for Tax</u>	<u>Rate of Tax</u>	<u>Effective Date</u>
	or (d) or Item 4 or 5 of this Schedule;			
	(b) spirits, being white over proof rum, of a strength exceeding 57.1% of alcohol by volume at the temperature of 20 degrees Celsius as ascertained by the OIML Density Reading Hydrometer and the Table of Calculations to be used in connection therewith;	Litre of pure alcohol	\$960.00	June 15, 2012
	(c) spirits not falling within paragraph (d) imported directly, or taken out of	Litre pure alcohol	\$700.00	June 15, 2012

<u>Tariff Heading No.</u>	<u>Description of Goods</u>	<u>Unit for Tax</u>	<u>Rate of Tax</u>	<u>Effective Date</u>
	bond, by hotels or resort cottages licensed by the Tourist Board and processed through the Tourist Board, using pro- cedures determined by the Commissioner General;	Litre of pure alcohol	\$700.00	June 15, 2012
	(d) beer and stout	Litre pure alcohol	\$1,120.00	June 15, 2012
Ex. 22.04	4. Wines and other alcoholic beverages produced by fermentation—			
	(a) imported directly or taken out of bond, by hotels or resort cottages licensed by the Tourist Board,	Litre	\$700.00	June 15, 2012



<u>Tariff Heading No.</u>	<u>Description of Goods</u>	<u>Unit for Tax</u>	<u>Rate of Tax</u>	<u>Effective Date</u>
	and processed through the Tourist Board, using procedures determined by the Commissioner of Customs or the Commissioner General;			
Ex. 22.08.902	5. Cordials and liqueurs— (a) imported directly or taken out of bond by hotels or resort cottages licensed by the Tourist Board, using procedures determined by the Commissioner of Customs or the Commissioner General;	Litre	\$700.00	June 15, 2012

<u>Tariff Heading No.</u>	<u>Description of Goods</u>	<u>Unit for Tax</u>	<u>Rate of Tax</u>	<u>Effective Date</u>
Ex. 24.01	(b) in any case not falling within paragraph (a)	Litre pure alcohol	\$960.00	June 15, 2012
	6. Unmanufactured tobacco or refuse tobacco	Per grams/stick	\$10.50	June 15, 2012
Ex. 27.10	9. Petroleum Products—			
	(a) Motor spirit (excluding Aviation Spirit)—	Litre	\$16.6498; plus ad valorem tax as follows—	June 15, 2012
	(i)			
Ex. 27.15	(h) Petroleum Asphalt and Cutbacks	Litre	37.03	June 15, 2012

<u>Tariff Heading No.</u>	<u>Description of Goods</u>	<u>Unit for Tax</u>	<u>Rate of Tax</u>				<u>Effective Date</u>
			<u>Rate of Tax on Imports by Dealer (Gas)</u>	<u>Rate of Tax on Imports by Individuals (Gas)</u>	<u>Rate of Tax on Imports by Dealer (Diesel)</u>	<u>Rate of Tax on Imports by Individuals (Diesel)</u>	
Ex. 87.01	Motor tractors		10%	10%	10%	10%	June 15, 2012

Tariff Heading No.	Description of Goods	Unit for Tax	Rate of Tax				Effective Date
			Rate of Tax on Imports by Dealer (Gas)	Rate of Tax on Imports by Individuals (Gas)	Rate of Tax on Imports by Dealer (Diesel)	Rate of Tax on Imports by Individuals (Diesel)	
Ex. 87.02	Buses (including the passenger vehicles commonly known as minibuses but 25 excluding buses which have less than 10 seats which include the driver's seat)—	with 10— 14 seats	5%	10%	0%	0%	June 15, 2012
		with 15— 24 seats	0%	5%	0%	0%	June 15, 2012
		exceeding seats	0%	0%	0%	0%	June 15, 2012
	(a) other than those speci- fied in para- graph (b);		0%	0%	0%	0%	June 15, 2012
Ex 87.03	Motor vehicles specified below motor cars and other motor vehicles principally designed for the transport	Engine size less than 1000 cc	0%	10%	0%	0%	June 15, 2012
		1000- 2000 cc (and up to 2,200 cc for	10%	20%	3%	10%	June 15, 2012

Tariff Heading No.	Description of Goods	Unit for Tax	Rate of Tax				Effective Date
			Rate of Tax on Imports by Dealer (Gas)	Rate of Tax on Imports by Individuals (Gas)	Rate of Tax on Imports by Dealer (Diesel)	Rate of Tax on Imports by Individuals (Diesel)	
	of persons than those of Heading 87.02) including sport utility vehicles (SUV's), limousines, station wagons, racing cars and buses which have less than 10 seats including the driver's seat.	diesel)					
		2001-- 3500cc	20%	30%	13%	20%	June 15, 2012
		exceeding 3,500 cc	30%	40%	23%	30%	June 15, 2012
Ex. 87.03	Hearses	less than 2,032 Kg exceeding 2,032 kg	25%	30%	10%	10%	June 15, 2012
			20%	25%	10%	10%	June 15, 2012
Ex 87.03	All-terrain vehicles (ATV's)	per vehicle	0%	0%	0%	0%	June 15, 2012
Ex. 87.04	Trucks commonly known as pick-ups for use in agricultural activity		0%	0%	0%	0%	June 15, 2012

Tariff Heading No.	Description of Goods	Unit for Tax	Rate of Tax				Effective Date
			Rate of Tax on Imports by Dealer (Gas)	Rate of Tax on Imports by Individuals (Gas)	Rate of Tax on Imports by Dealer (Diesel)	Rate of Tax on Imports by Individuals (Diesel)	
Ex. 87.11	Motor cycles	less than 299 cc	0%	0%	0%	0%	June 15, 2012
		exceeding 299 cc	0%	0%	0%	0%	June 15, 2012
Ex 87.16	Chassis attached to motor trailers		0%	0%	0%	0%	June 15, 2012

xxx

THIRD SCHEDULE (Sections 2, 25 and 29)  
GOODS AND SERVICES EXEMPT FROM TAX

PART I – Goods

Category	Effective Date
1. Travel tickets for international travel.	June 15, 2012
6A. Imported chicken which is not subject to any process other than—	June 15, 2012
(a) freezing, chilling, salting or otherwise immersion in a brine solution or packaging; or	
(b) slicing, mincing, grinding, dicing or chopping.	

PART I – Services

1. The following operations—	June 15, 2012
(a) ...	...
(b) operations which form an integral part of of, or are preparatory to, or are for rendering complete, such operations as are described in paragraphs (a) and (b); including site clearance, earth moving excavation, tunnelling or boring, laying of foundations, erections of scaffolding, site restoration, landscaping and the provision of roadways and other access works;	
30. Supply of electricity by any person who supplies electricity to a supplier (licensed within the meaning of section 5 of the Electricity Lighting Act) who supplies	June 15, 2012

Category	Effective Date
electricity nationwide to residential, commercial and industrial customers.	
31. Services performed under a "government contract" as defined in section 2 of the <i>Contractor-General Act</i> .	
Dated this day of June, 2013.	
REGULATIONS 1A, 2 AND 3 OF THE GENERAL CONSUMPTION TAX REGULATIONS, 1999 WHICH IT IS PROPOSED TO AMEND	
1. These Regulations may be cited as the General Consumption Tax Regulations, 1991.	
1A. In these Regulations, reference to the Commissioner in—	
(a) regulations 2, 3, 4 and 5 shall be construed as references to the Commissioner of Tax Administration Services; and	
(b) regulations 6, 19 and 24 shall be construed as references to the Commissioner of Taxpayer Audit and Assessment; and	
(c) regulations 1, 10(2), (3), (4) and (5), 11, 12, 14, 20(2), 21, 22, 23, 25 and 26(2) shall be construed as references to the Commissioner of Inland Revenue.	
2.—(1) Subject to paragraph (2), every person who carries on a taxable activity shall apply to the Commissioner in the form set out as Form 1 in the Appendix to be registered under the Act.	
...	
...	
...	
(3) A person who carries on a taxable activity which consists wholly of the supply of goods or services which are exempt from the payment of tax under the Act shall be exempt from making an application under paragraph (1) in respect of that taxable activity.	
3.—(1) The Commissioner shall, on receipt of an application for registration—	
(a) register the applicant as a registered taxpayer where—	
(i) pursuant to section 27 (1) (b) of the Act the applicant is qualified to be so registered; or	
(ii) pursuant to subsection (4) of that section the applicant applies to be so registered; or	

- (b) *register the applicant as a registered person where the gross yearly value or average monthly value of the applicant's taxable supplies is less than the amount specified in section 27(1) (b) of the Act.*
- (2) The Commissioner shall issue—
  - (a) to a person registered as a registered taxpayer a Certificate of Registration in the form set out as Form 2 in the Appendix; or
  - (b) to a person registered as a registered person, a Notice of Registration in the form set out as Form 3 in the Appendix.
- (4) Where the Commissioner registers any person pursuant to section 28 (2) of the Act, he shall issue to that person the Certificate referred to in paragraph (2) (a) or the Notice referred to in paragraph (2) (b), as the case may require.

REGULATION 4 OF THE GENERAL CONSUMPTION TAX  
REGULATIONS, 1999 WHICH IT IS  
PROPOSED TO REPEAL

4.—(1) Every registered taxpayer shall display his Certificate of Registration in a conspicuous place in the premises where he carries on his taxable activity.

(2) Where a registered taxpayer carries on a taxable activity at more than one premises, the copy of his Certificate of Registration supplied by the Commissioner shall be displayed in a conspicuous place at each such premises.

(3) A person who, not being a registered taxpayer, displays or causes to be displayed at his place of business any document purporting to be a Certificate of Registration commits an offence and is liable on summary conviction in a Resident Magistrate's Court to a fine not exceeding five thousand dollars and in default of payment thereof to imprisonment for a term not exceeding six months.

REGULATION 6 OF THE GENERAL CONSUMPTION TAX  
REGULATIONS, 1999 WHICH IT IS PROPOSED  
TO REPEAL AND REPLACE

6.—(1) For the purposes of the Act, the taxable period shall be—

- (a) one calendar month in respect of a registered taxpayer whose taxable supplies are of a gross annual value of \$1,000,000 or more; or
- (b) two calendar months in respect of a registered taxpayer whose taxable supplies are of a gross annual value of less than \$1,000,000.



(2) Subject to paragraph (4), the Commissioner may if he considers it appropriate in the circumstances of any particular case, or, as the case may be, upon application made by a registered taxpayer, notify a registered taxpayer—

- (a) referred to in paragraph (1)(a), that his taxable period shall be two calendar months; or
- (b) referred to in paragraph (1)(b) that his taxable period shall be one calendar month,

with effect from the date specified by the Commissioner in the notice.

(3) The first taxable period of a registered taxpayer who is registered at the 22nd October, 1991 and whose taxable period is—

- (a) one calendar month, shall commence on the 22nd October, 1991 and end on the 31st October, 1991;
- (b) two calendar months, shall commence on the 22nd October, 1991 and end on such date as the Commissioner shall notify in writing to the registered taxpayer,

and thereafter his taxable period shall be one or two calendar months, as the case may be.

(4) Where the gross annual value of the taxable supply of a registered taxpayer—

- (a) referred to in paragraph (1)(a) is reduced to less than \$1,000,000; or
- (b) referred to in paragraph (1)(b) is increased to \$1,000,000 or more,

the registered taxpayer shall, within sixty days after the end of the year in which the reduction or increase occurs, notify the Commissioner in writing of such reduction or increase.

(5) Notwithstanding paragraphs 1(b) and 3 (b) the Commissioner may, where he considers it expedient so to do, direct a registered taxpayer to make a return at such time and respect of such period as may be specified in the direction.

#### REGULATIONS 7, 8, 9, 10 AND II OF THE GENERAL CONSUMPTION TAX REGULATIONS, 1999 WHICH IT IS PROPOSED TO AMEND

7. The return required by section 33 of the Act shall be in the form set out in the Appendix as Form 4A, 4B, 4C, 4D or 4E, as appropriate, and shall be furnished to the Commissioner—

- (a) by a registered taxpayer referred to in paragraphs 2, 3 and 4 of the First Schedule who accounts for tax on a payments basis, within fifteen days after the end of his taxable period; or

- (b) by every other registered taxpayer, within one month after the end of his taxable period,

and each such return shall be accompanied by the payment of the amount of tax, if any, payable by the registered taxpayer in respect of the taxable period.

8.—(1) Subject to paragraphs (8) and (9), a tax invoice issued in respect of a taxable supply shall contain the following information—

- (a) ...

(2) A tax invoice shall not be issued in respect of prescribed goods unless such goods are supplied to a registered taxpayer wholly or mainly for the purpose of manufacturing taxable supplies.

(9) A tax invoice issued by a registered taxpayer who carries on a taxable activity specified in Part II of the Second Schedule shall not contain the particulars specified in sub-paragraphs (h) and (i) of paragraph (1) but shall indicate that the consideration for the supply to which the invoice relates is inclusive of tax.

- 9.—(1) ...

(2) Where a registered taxpayer who supplies groceries, dry goods or raw foodstuff is unable to comply with the requirements specified in paragraph (1), he shall—

- (a)

(b) display in a conspicuous manner in his place of business in respect of other goods—

- (i) a sign indicating that the price includes tax at the rate of ten per cent; and

...

(3) A registered taxpayer who carries a taxable activity specified in Part II of the Second Schedule shall, in making a taxable supply to that person who is not a registered taxpayer, issue a receipt to that person stating the consideration for the supply is inclusive of tax.

- 10.— ...

(3) Where the gross annual value of the taxable supplies of a registered taxpayer referred to in paragraph 1 of the First Schedule is increased to \$1,000,000 or more that taxpayer shall, within sixty days after the end of the year in which the increase occurs, give written notice thereof to the Commissioner who shall direct that taxpayer in writing to account for tax in accordance with paragraph (1) from such date as the Commissioner shall specify in the direction.

11.—(1) ...

(3) A registered taxpayer whose gross annual taxable supplies are less than \$1,000,000 may apply in writing to the Commissioner for permission to calculate output tax in accordance with the formula specified in paragraph (a), (b) or (c), as follows—

- (a) where zero-rated supplies are at least seventy-five per cent of his total supplies—

$$OT = CPT \times \frac{(100 + M)}{100} \times R; \text{ or}$$

- (b) where taxable supplies are subject to tax at the rate ten per cent are at least seventy-five per cent of his total supplies—

$$OT = (TS - (TS - (CPZ \times \frac{100 + M}{100}) \times \frac{R}{(100 + R)}); \text{ or}$$

- (c) where the amount of zero-rated supplies is equal to the amount of other taxable supplies not being prescribed goods—

$$OT = \frac{CPT}{(CPT + CPZ)} \times C \times \frac{R}{(100 + R)}$$

- (4) For the purposes of paragraphs (2) and (3)—

“C” means consideration including tax;

“CPT” means the total cost (including tax) of the taxable supplies (other than zero-rated supplies and prescribed goods) purchased by the registered taxpayer;

“CPZ” means the total cost (including tax) of zero-rated supplies purchased by the registered taxpayer;

...

“TS” means consideration for total supplies including tax.

...

**REGULATIONS 12 AND 13 OF THE GENERAL CONSUMPTION  
TAX REGULATIONS, 1999 WHICH IT IS PROPOSED  
TO REPEAL**

12.—(1) A registered taxpayer—

- (a) whose gross annual taxable supplies is less than \$500,000 in value and who carries out a taxable activity specified in the first column of Part I of the Second Schedule may apply in writing to the

Commissioner for permission to calculate the net tax payable by multiplying his gross sales (including tax) by the appropriate percentage specified in the second column of that part of the Second Schedule; or

- (b) who carries on a taxable activity specified in Part II of the Second Schedule, may calculate the net tax payable by him in accordance with the following formula, that is to say —

$$NT = OT - (IT - (STC \times NTS)).$$

- (2) For the purposes of paragraph (1)(b) —

“IT” means input tax;

“NT” means net tax;

“NTS” means net taxable sales calculated by deducting from the gross value of sales (inclusive of tax), overseas commissions for services rendered overseas by travel agents, tour operators and persons carrying on any activity similar thereto, transfers between airports and hotels and the value of gratuities paid to employees for the taxable period;

“OT” means output tax calculated by multiplying the net taxable sales by 10 ;

110

“STC” means a special tax credit of 4.3 per cent.

13. Tax shall not be payable on a taxable supply made to a registered taxpayer referred to in regulation 12(1)(b), being a supply made pursuant to a contract of insurance which is certified by the Superintendent of Insurance as being unavailable in Jamaica.

#### REGULATION 14 OF THE GENERAL CONSUMPTION TAX REGULATIONS, 1999 WHICH IT IS PROPOSED TO AMEND

14.—(1) Subject to paragraphs (2), (3), (4), (5), (6) and (6A), a registered taxpayer shall, in respect of a taxable period, be entitled to claim as a credit any input tax payable by him during that period and any other amounts specified in this regulation.

(3) Subject to paragraphs (4) and (5), where a registered tax-payer makes taxable supplies and exempt supplies, he shall be entitled to claim as a credit—

- (a) ...
- (b) in respect of the exempt supplies, all of the input tax paid or payable in respect thereof, if and only if the exempt supplies are not more than 5 per cent of the value of the total supplies or \$48,000, whichever is less.

(4) Where the taxpayer is unable to identify the input tax paid or payable in respect of the supplies referred to in paragraph (3), he shall be entitled to claim as a credit, such proportion of the input tax as is attributable to the total taxable supplies.

(5) A registered taxpayer shall be entitled to claim as a tax credit—

- (a) ...
- (b) subject to paragraphs (6) and (6A)—
  - (i) 6.5% of the cost inclusive at tax (not exceeding an amount in Jamaican dollars equivalent to US\$35,000 calculated at the rate of exchange that was applicable on the date that the customs duty was paid) of any motor vehicle used for the purposes of his taxable activity, being a motor vehicle described in section 11 (i) (c) of the Road Traffic Act, including any motor vehicle of the type sold under the brand name or description of Station Waggon, Estate Car, Range Rover, Jeep or Pathfinder or any other vehicle which, in the opinion of the Commissioner, is of a construction similar to such type, and buses which have less than ten seats including the driver's seat; or
  - (ii) an amount equivalent to the tax paid in respect of any other motor vehicle not referred to in sub-paragraph (i), used for the purposes of his taxable activity, where the rate of tax in respect of that vehicle does not exceed 15%; or
  - (iii) 13% of the cost inclusive of tax of any motor vehicle referred to in sub-paragraph (ii) where the rate of tax exceeds 15%
- (c) *[Delete by L.N. 27/1994.]*

- (d) a special alcoholic beverages credit (SABC) being  $33\frac{1}{3}\%$  of the general consumption tax paid by him in acquiring taxable supplies (being spirits, beer, wine and alcoholic beverages produced by fermentation and cordials and liqueurs) for the purpose of carrying out his taxable activity specified in Part II of the Second Schedule.

(5A) A registered taxpayer whose taxable activity is specified in Part II of the Second Schedule shall be entitled to claim as a tax credit 5.9% of any expenses incurred by him in utilizing, for the purpose of carrying out that taxable activity, any services provided to him by another registered taxpayer in the operation by that other registered taxpayer, of any taxable activity so specified.

(5B) A registered taxpayer whose taxable activity is not one specified in Part II of the Second Schedule shall be entitled to claim as a tax credit 2.95% of any expenses incurred by him in utilizing, for the purpose of carrying out that taxable activity, any services provided to him by another registered taxpayer in the operation by that other registered taxpayer, of any taxable activity so specified.

(6) A registered taxpayer whose taxable activity is the provision of U-drive services shall be entitled to claim as a credit in equal instalments over a period of twenty-four months, commencing at the end of the month in which he acquires any motor vehicle exclusively for the provision of such services, all the input tax payable in respect of any such motor vehicle if—

- (a) ...

(6B) A registered taxpayer to whom paragraph (6) applies who before the end of the period of twenty-four months from the date of acquisition of any motor vehicle—

- (a) ceases to be licensed under the Tourist Board Act to operate a tourism enterprise as mentioned in paragraph (6) (a); or
- (b) disposes of such motor vehicle without the approval of the Commissioner; or
- (c) uses such motor vehicle otherwise than for the purposes of the tourism enterprise referred to in paragraph (6) (a); or
- (d) rents such motor vehicle for any one rental for any period in excess of forty-five days without the approval of the Commissioner,

shall, in respect of that motor vehicle—

- (e) repay the amount of credit claimed to the date of cessation of disposal without the approval of the Commissioner; or
- (f) in accordance with paragraph (6c), repay the amount of credit claimed to the date of usage otherwise than for the tourism enterprise or

rental in excess of forty-five days without the approval of the Commissioner

(6C) The amount repayable under sub-paragraph (f) of paragraph (6B) shall be the difference between the total credit claimed to the date aforesaid and the credit that could have been claimed under paragraph (5)(b)(ii) and (iii) had that paragraph been applicable.

(6D) The amount of credit required to be repaid pursuant to paragraph (6e) shall become due and payable upon the occurrence of any of the events specified in sub-paragraphs (a), (b), (c) or (d) of that paragraph.

(6E) A registered taxpayer to whom paragraph (6) applies shall not, unless the Commissioner so approves, be entitled, during the period of twenty-four months aforesaid, to claim a refund of input tax paid in respect of any motor vehicle in lieu of a credit of such tax.

(7) A registered taxpayer shall not be entitled to claim as a tax credit any input tax which he is charged—

- (a) ...
- (b) in respect of any goods or services which he supplies to an employee, contractee or partner free of charge or at a price which is less than the open market value:

Provided that—

- (i) sub-paragraph (a) shall not apply to any taxable activity specified in Part II of the Second Schedule;

- (ii) ...

(9) Where in any taxable period a registered taxpayer is charged input tax which is in excess of the amount of output tax that is charged by him for that period he may apply to the Commissioner for a refund of the excess or he may carry forward the amount of excess as a credit to a subsequent taxable period.

(10) A registered taxpayer who acquires machinery, not being a motor vehicle as defined in section 11(1) of the Road Traffic Act, or equipment wholly or mainly for the purpose of making taxable supplies shall be entitled to claim as a credit—

- (a) at the end of the taxable period in which such input tax is charged all of the input tax if—
  - (i) the construction for such machinery or equipment is \$100,000 or less;

- (ii) the machinery or equipment is approved under the Modernization of Industry Programme for his business; or
- (iii) the value of the goods that he exports is at least 25% of the value of the goods he manufactures or an amount equivalent in Jamaican dollars to US\$5,000,000. as the case may be; or
- (b) over a period of twenty-four mouths the input lax charged on such machinery or equipment

... ..

(13) Where a registered taxpayer exports any goods mentioned in Part I of the Third Schedule to the Act he may claim an input tax credit in respect of the goods exported.

... ..

**REGULATION 18 OF THE GENERAL CONSUMPTION TAX  
REGULATIONS, 1999 WHICH IT IS PROPOSED  
TO AMEND**

18. The provisions of paragraphs 1 and 4 of Group 5 of Part II of the First Schedule to the Act shall apply to the following goods and services—

- (a) ... ..
- (b) services which—
  - (i) are supplied to a person who is not resident in Jamaica; and
  - (ii) the benefit of the supply of which is not realized in Jamaica,

**REGULATION 23 OF THE GENERAL CONSUMPTION TAX  
REGULATIONS, 1999 WHICH IT IS PROPOSED  
TO AMEND**

23.—(1) ... ..

(2) Where tax has been paid on the supply, the person may apply to the Commissioner for a refund of the tax and the application shall be in such form as the Commissioner may approve.



FIRST AND SECOND SCHEDULES TO THE GENERAL CONSUMPTION  
TAX REGULATIONS, 1999 WHICH IT IS PROPOSED  
TO AMEND

FIRST SCHEDULE (Regulations 7 and 10(2)(3))

*Categories of Registered Taxpayer who  
may be permitted to account for tax on  
a payments basis*

1. Registered taxpayers the gross annual value of whose taxable supplies is less than \$1,000,000.
2. Registered taxpayers whose taxable activity consists of the following services—
  - (a) the supply of insurance contracts as defined in section 6 (7) of the Act;
  - (b) the supply of telephone services.
3. Registered taxpayers who render professional services.
4. Registered taxpayers who rent commercial premises.

SECOND SCHEDULE (Regulations 8, 9,  
12 and 14)

Calculation of net tax

PART I

Taxable Activity	Percentage
1. Manufacturing	6.75%
2. Provision of services other than accounting, auditing, land surveying, legal and quantity surveying.	10.5%
3. Operation of shops selling clothes, shoes, hardware, by retail.	6.75%
4. Operation of shops where—	
(a) twenty-five per cent to fifty per cent of the stock consists of zero-rated supplies;	5.25%

<u>Taxable Activity</u>	<u>Percentage</u>
(b) fifty-one per cent to seventy-four cent of the stock consists of zero-rated supplies;	3.15%
(c) seventy-five per cent of the stock consists of zero-rated supplies.	2.25%

## PART II

*Taxable Activities to which Regulation 12(1) (b) applies*

The operation of the following activities pursuant to a licence issued under the Tourist Board Act—

- (a) hotel;
- (b) resort collage;
- (c) other tourist accommodation;
- (d) camp site;
- (e) water sport;
- (f) attraction;
- (g) tour operator.

...

...

...