

VALUE ADDED TAX (AMENDMENT) ACT, 2013-22

Arrangement of Sections

1. Short title
2. Amendment of section 7 of Cap. 87
3. Insertion of Fourth Schedule into Cap. 87

BARBADOS

I assent
ELLIOTT F. BELGRAVE
Governor-General
31st December, 2013.

2013-22

An Act to amend the *Value Added Tax Act*, Cap. 87 to reduce the rate of tax payable on the supply of goods and services related to tourism, where certain conditions are satisfied, and on the supply of certain accommodation.

ENACTED by the Parliament of Barbados as follows:

Short title

1. This Act may be cited as the *Value Added Tax (Amendment) Act, 2013*.

Amendment of section 7 of Cap. 87

2. *Section 7 of the Value Added Tax Act, Cap. 87, in this Act referred to as the principal Act, is amended by deleting subsections (11) and (12) and substituting the following:*

“(11) With effect from the 1st day of October, 2013 the tax imposed by subsection (1) on

- (a) the supply of accommodation in a guest house, hotel, inn or any other similar place, including a dwelling house normally let or rented to persons for use as a vacation or holiday home shall be 7.5 percent of the value of the supply and is payable by the registrant at the time the supply is made; and
- (b) the supply of the goods and services listed in paragraph 1 of the *Fourth Schedule* shall be 7.5 percent of the value of the supply and is payable by the registrant at the time the supply is made.

(12) Subsection (11)(b) does not apply unless a registrant satisfies the criteria set out in paragraph 2 of the *Fourth Schedule* and is registered with the Comptroller in accordance with paragraph 3.”

Insertion of Fourth Schedule into Cap. 87

3. *The principal Act is amended by inserting after the Third Schedule, the following:*

“FOURTH SCHEDULE*(Section 7)***SUPPLIES RELATED TO TOURISM**

1. The supplies referred to in section 7(11)(b) are supplies of the following goods and services:

- (a) entertainment, other than entertainment supplied by a promoter of public entertainment, including theatrical performances, film, exhibitions, dinner shows and other performances;
- (b) cruises other than international cruises;
- (c) goods and services related to sport and recreation;
- (d) goods and services provided at marinas;
- (e) goods and services provided at spas and retreats;
- (f) goods and services provided at conference facilities;
- (g) meals, drinks and dining services.

2. The criteria referred to in section 7(12) are that the registrant is

- (a) registered with, or has a licence from, the Barbados Tourism Authority, The Barbados Hotel and Tourism Association Inc. or Small Hotels of Barbados Inc;
- (b) in compliance with all statutory obligations in respect of this Act, the *Income Tax Act*, Cap. 73, the *National Insurance and Social Security Act*, Cap. 47 and the *Land Tax Act*, Cap. 78A; and
- (c) able to demonstrate, to the satisfaction of the Comptroller, that he earns at least 75 percent of his total earnings in a year, in a foreign currency.

3.(1) Where a registrant satisfies the criteria set out in paragraph 2, the Comptroller may, in such form as the Comptroller determines, register the registrant as a provider of tourism supplies.

(2) The Comptroller may cancel a registration referred to in sub-paragraph (1) where the registrant no longer satisfies the criteria set out in paragraph 2.”