

S.I. 34 of 2013**VALUE ADDED TAX ACT, 2010***(Act 35 of 2010)***Value Added Tax (Refunds) Regulations, 2013**

In the exercise of the powers conferred by section 52 of the Value Added Tax Act read with section 37, the President acting as the Minister of Finance, Trade & Investment hereby makes the following regulation—

1. This regulation may be cited as the Value Added Tax (Amendment) Regulation, 2013. Citation

2. A refund may be claimed, where— Refund
 - (a) VAT credit has been carried forward to 2 consecutive VAT periods and exceeds SCR10,000 at the end of the third VAT period by a compulsory registered taxable person;
 - (b) a VAT credit exceeding SCR10,000 is reported on the quarterly return by a voluntary registered taxable person; or
 - (c) unless otherwise applicable, a VAT credit exceeding SCR10,000 is reported on a monthly return by an exporter, supplier of zero-rated goods or services or investor during the commencement phase of the business activity. Application for deferred payment

3. Subject to regulation 2, a VAT refund shall be granted where a taxable person has claimed for a refund on a VAT return duly completed and has fulfilled all payment obligations. VAT returns and payment obligations

Statutory
period

4. Any VAT refund is processed within a statutory period of 45 days from the date the claim for refund is made unless the taxable person has —

- (a) submitted inaccurate VAT returns;
- (b) failed to respond within a reasonable period to queries;
- (c) been engaged in fraudulent activity.

Definition

5. For the purpose of this regulation —

“exporter” means where a taxable person's turnover is attributable to 85% of the export sales;

“supplier of zero-rated goods or services” means where a taxable person's turnover is attributable to 85% of the zero-rated supplies excluding any export sales;

“investor during the commencement phase” means a taxable person who had not collected any VAT and has incurred preliminary expenditures in relation to the commencement of the business activity.

MADE this 18th day of April, 2013.

**JAMES A. MICHEL
PRESIDENT**
