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GRENADA

ACT NO. 7 OF 2011**I assent,**

CARLYLE ARNOLD GLEAN

*Governor-General.**6th April, 2011.*

An Act to amend the Value Added Tax Act, No. 23 of 2009.

[8th April, 2011].

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 Grenada, and by the authority of the same as follows:

Short title.

1. This Act may be cited as the**VALUE ADDED TAX (AMENDMENT) ACT, 2011**

and shall be read and construed as one with the Value Added Tax Act, No. 23 of 2009, hereafter referred to as the principal Act.

Amendment of Section 2 of principal Act.

2. Section 2 of the principal Act is hereby amended as follows:

- (a) in the definition of “reviewable decisions” by deleting the roman numeral “XVII” where it appears and substituting therefor roman numeral “XVIII”;
- (b) by inserting immediately after the definition of “progressive or periodic supply” the following new definitions:

“promoter of public entertainment” means a person who arranges the staging of entertainment to which the general public is invited, but does not include:

- (a) an educational institution referred to in item 9 of paragraph (1) of Schedule IV or the board of management or a parent teacher association of such an institution;
- (b) a person who provides entertainment on a daily or weekly basis;
- (c) a church incorporated by statute or approved by the Minister; or
- (d) an approved non-profit body;

“Public entertainment” includes any musical entertainment, theatrical performances, comedy show, dance performance, circus show, any show connected with a festival, or any similar event to which the public is

invited for a fee;

- (c) in the definition of “thing” by deleting paragraph (a) and substituting therefor the following:–

“(a) in the context of a supply or acquisition means the goods or services that are the subject matter of the supply or acquisition”.

- (d) in the definition of “voucher” by inserting immediately after the words “include a” the words “government issued”.

Amendment of
Section 5 of
principal Act.

3. Section 5 of the principal Act – is amended by inserting immediately after sub-section (3), the following new section:

“(3a) For the purposes of paragraph (h) of sub-section (1) - “family” means–

- (a) a parent
- (b) a sibling
- (c) a child by blood, adoption or marriage; or
- (d) a spouse”.

Amendment of
Section 6 of
principal Act.

4. Section 6 of the principal Act is amended by deleting sub-section (7) and substituting the following:–

“(7) Subject to subsections (5) and (6), the Minister may prescribe that a supply of goods and services is treated as a supply of goods or as a supply of services or that a supply consists of a single or multiple supplies”.

Amendment of
Section 7 of
principal Act.

5. Sub-section (1) (e) of section 7 of the principal Act is amended by inserting the words “for profit” after the word “person” where it appears.

Amendment of
Section 8 of
principal Act.

6. Sub-section 8 of Section 8 of the principal Act is amended in the chapeau by deleting the words “or by law” where they appear.

Amendment of
Section 14 of
principal Act.

7. Sub-section 11 of Section 14 of the principal Act is amended by –

- (i) removing the word “or” where it appears immediately before the word “nature”;
- (ii) inserting a comma immediately after the word “nature”; and
- (iii) inserting immediately after the comma insert pursuant to paragraph “b” the words “change in circumstances.”

Amendment of
Section 16 of
principal Act.

8. Sub-paragraph (b) of sub-paragraph (4), of section 16 of the principal Act is amended by inserting immediately after the word “Comptroller” the word “in writing”.

Amendment of
Section 22 of
principal Act.

9. Sub-section (3) of Section 22 of the principal Act is deleted and the following substituted therefor;

- (3) “The VAT chargeable on a taxable supply referred to in subsection (2) is the liability of the recipient of the supply, and must be accounted for–
 - (a) by a taxable person to the Comptroller as output tax of the recipient; and

(b) by any other person as provided by the Comptroller”.

Amendment of
Section 29 of
principal Act.

10. Sub-section (4) of Section 29 of the principal Act is hereby amended by inserting immediately after the word “employee” the following:

“for the purposes of the Income Tax Act”.

Amendment of
Section 33 of
principal Act.

11. Sub-section (1) of Section 33 of the principal Act is hereby amended by deleting the definition of “passenger vehicle” and substituting the following new definition:

“passenger vehicle” include motor cars and other vehicles principally designed for the transportation of people including station wagons and sport utility vehicles but excluding double cabs and pick-up trucks exclusively used for the furtherance of the taxable activity.

Amendment of
Section 34 of
principal Act.

12. Sub-section (2) of Section 34 of the principal Act is hereby deleted and the following substituted therefor:

“(2) Except as otherwise provided, if none of the supplies made by a taxable person during a tax period are taxable supplies, the person is not allowed input tax credits for the input tax payable on taxable acquisitions or imports made by the person during that period”.

Amendment of
Section 38 of
principal Act.

13. Section 38 of the principal Act is hereby amended by inserting immediately after sub-section (1) the following new section:

“(1a) Sub-section (1) does not apply to any sales made

which does not exceed Five Dollars.”

Amendment of
Section 44 of
principal Act.

14. Section 44 of the principal Act is hereby amended as follows:

- (i) in sub-section (6) by deleting the number “(3)” and substituting therefor the number “(4)”; and
- (ii) in sub-section (7) by deleting the word “fuller” where it appears and substituting therefor the word “fewer”.

Amendment of
Section 46 of
principal Act.

15. Sub-section (5) of Section 46 of the principal Act is hereby amended by removing the number (3) where it appears immediately before the word and replace with the number “(4)”.

Amendment of
Section 78 of
principal Act.

16. Section 78 of the principal Act is amended as follows:

- (i) in sub-section (2) by inserting the letters “(a) or (b)” immediately after the number (1); and
- (ii) by inserting immediately after sub-section (2) the following new section:

“(2a) A person who contravenes sub-section 1 (c) shall be liable to a fixed penalty as provided for in the schedule.”

Amendment of
section 102 of
principal Act.

17. Sub-section (1) of section 102 of the principal Act is amended by inserting the number “105” immediately after the number “99”.

Amendment of
section 111 of
principal Act.

17 (a). Section 111 is amended by inserting immediately after sub-section (4) the following new subsection:

“(4a) The provisions of section 62 (2) of the Income Tax Act, save and except for paragraph (c) of that section, shall apply *mutatis mutandis* to this part.

Amendment of
Section 126 of
principal Act.

18. Section 126 of the principal Act is hereby amended by inserting immediately after sub-section (4) the following new sub-section:

“(4a) For the avoidance of doubt, where any material that may be considered in interpreting a provision of the Act as provided for in sub-section (4) appears to be in conflict with the Act, the provisions of this Act shall prevail”.

Amendment of
Schedule III of
principal Act.

19.—(1) Schedule III item no. 2 of the principal Act is hereby amended as follows by:

(i) deleting sub-paragraph (a) and substituting therefor the following new sub-paragraph—

“(a) provided to residential premises for domestic use”.

(ii) deleting sub-clause (b); and

(iii) inserting immediately after item no. 5 the following item:

“(5a) a supply of text books as may be prescribed by regulations.”

(2) Schedule III item no. 3 of the principal Act is amended by deleting the words “private or” where it appears.

Amendment of
Schedule IV of
principal Act.

20. Schedule IV of the principal Act is hereby amended as follows:

- (a) by deleting the words “marina berth” where it appears in item no.7.
- (b) by deleting the words “but not” where it appears in item no. 16.
- (c) deleting item no. 17 and substituting therefor the following new sub paragraph—

“a supply of unprocessed agricultural produce as may be prescribed by regulations”.
- (d) by deleting item no. 18 and substituting therefor the following new sub-paragraph—

“(18a) a supply of agricultural or fishing inputs as may be prescribed by regulations.”
- (e) by inserting the following new sub-section after item no. 23

“23a a supply of bread of wheat flour as may be prescribed by regulations;

23b a supply of medicines for chronic diseases as may be prescribed by regulations;

23c a supply of chicken back, neck, drummettes and wings, fresh, chilled or frozen as may be specified in regulations;

23d a supply of other meat of poultry, fresh or chilled as may be specified in regulations;

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- 23e a supply of other meats fresh or chilled as may be specified in regulations;
- 23f a supply of energy saving devices as may be prescribed by regulations;
- 23g a supply of hurricane mitigating devices as may be prescribed by regulations;
- 23h a supply of microcomputers, software and accessories as may be prescribed by regulations;
- 23i a supply of marine berth and dockage;
- 23j the payment known as service charge to hotels, guest houses and restaurants;
- 23k a supply of newspapers as may be prescribed in regulation.”

Amendment of
Schedule V of
principal Act.

21. Schedule V of the principal Act is amended as follows:

- (a) by deleting sub-paragraphs (a) and (g) in item no. 3;
- (b) by inserting immediately after sub-paragraph (e) the following new subparagraph:

“e (a) goods imported by returning Grenadian nationals who are assigned by the Government to a regional or international organisation to which Grenada is a member”; and

- (c) by deleting item no. 8.

Amendment of
Schedule VI of
principal Act.

22. Schedule VI of the principal Act is amended as follows:

- (i) by inserting the number “78” in numerical order after the word “sections”; and
- (ii) by inserting immediately after item no. 12 the following new sub-paragraph:

OFFENCE	SECTION	FIXED PENALTY
“(12a) failure to provide, a VAT invoice, VAT credit note, VAT debit note or sales receipt otherwise than as provided for in Part IX”	78	\$500.00

Passed by the House of Representatives this 20th day of January, 2011.

ADRIAN C. A. HAYES
Clerk to the House of Representatives.

Passed by the Senate this 2nd day of February, 2011.

ADRIAN C. A. HAYES
Clerk to the Senate.

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