

Dear BHTA Members,

Please see below important information received from our industry partners, The Department of Inland Revenue, re DUAL VAT FILING.

For those that are filing this month, who are reporting taxable supply that has attracted **Dual VAT @ both 7.5% and 12% rate:**

Registrants must fill in **the entire taxable supply at 12% LINE 4 of their VAT Form.**

All invoices must be shown on the return at the VAT inclusive value assuming a vat rate of 12% . The schedule calculates the adjustment that is to be shown on LINE 25. This amount will represent the difference between the amount of VAT calculated at 12% of the taxable supply, less the amount of VAT calculated at 7.5% of the relevant taxable supply. The resulting amount will represent the amount to be adjusted due to the transitional considerations afforded to applicable taxable supply.

By way of example:

A Hotel Property has \$ 100,000 of taxable Supply (Vat inclusive)
\$ 80,000 of that supply attracts a VAT rate of 7.5% due to transitional considerations.
\$ 20,000 of the taxable supply attracts a VAT rate of 12%

On Line 4 – Registrant would enter \$ 100,000 of Taxable Supply inclusive of VAT AT 12%

On Line 25 – Registrant would enter the amount of the adjustment of \$ 2990.06

The attached Spreadsheet provided by The Department of Inland Revenue (via the BHTA) will calculate the adjustment for you, however the amount of \$ 2990.06 is calculated as follows:

\$ 80,000 (taxable supply at 12% rate) X 3/28 or .1071428 =	\$ 8571.42
\$ 80,000 (taxable supply at 7.5% rate) X 3/43 or .069767 =	\$ 5581.36

Adjustment for LINE 25 = **\$ 2990.06**

Please do not hesitate to communicate any questions re this email to spattusch@bahamashoteltourism.org

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