



Question

4. Can I become a registrant even if my turnover is under \$100k?

Answer: Yes, there is also voluntary registration for those businesses that do not meet the VAT registration threshold. Such businesses must meet specific criteria to be considered for voluntary registration such as:-

- Conduct a taxable activity;
- Be able to keep good accounting records;
- Be able to file accurately and timely
- Have a fixed place from which business is being conducted

Question

5. Do I have to report the VAT I paid to the government on my imports?

Answer: No. An un-registered business has no reporting obligation to the Government. However, you are encouraged to keep records of all sales and purchases.



**Value Added Tax Unit
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**Central Revenue Agency
Government of the Bahamas**



“VAT For a Modern Bahamas”

**VAT FOR THE
UNREGISTERED
BUSINESS**

**Central Revenue Agency
Value Added Tax Unit
Cecil Wallace-Whitfield Centre,
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VAT FOR THE UN-REGISTERED BUSINESSES

Question

1. What is a “business” for VAT purposes?

Answer: It can be a natural person (i.e. self-employed), a partnership or trust, the government, any association or corporation or group of people acting together under a particular name whether for profit or non-profit.



Question

2. When do I pay VAT as an unregistered business?

Answer: VAT will be paid on all domestic purchases of goods & services that are not exempt or zero rated. Such VAT will be paid to the Registered Supplier of the good or service bought. VAT will also be paid on all imports to Customs (except zero rated or exempt).

Question

3. Can I claim for VAT paid?

Answer: No. VAT paid becomes a cost to the business and may be included in the price of supplies.

Question

4. Can an unregistered business charge VAT?

Answer: Unregistered businesses **cannot** charge VAT on goods and services and **cannot** claim their VAT tax by filing a Return to the Government. Additionally, they are not allowed to advertise or even quote value added tax with regard to their supplying goods and services to others. The sales receipts issued cannot show VAT.

