



## VAT Policy Corner

### **Policy 16 – VAT and Funeral Services and Human Remains**

The following forms the guiding principle regarding the application of Value-Added Tax (VAT) on funeral services and human remains.

Schedule I paragraph 2A (m) and (n) of the VAT Act zero-rates “*funeral services*” and “*human remains*” respectively.

For VAT purposes, funeral services include the supply of grave orders, tomb orders, coffins and caskets. A supply of services such as transporting, storage, embalming, bathing and dressing of the corpse are associated with “human remains”. Therefore, the provision of the above services will not attract VAT at the standard rate of sixteen percent (16%). Further, when human remains are shipped from overseas they will also not attract VAT.

By virtue of section 35 of the VAT Act, registered suppliers of the services outlined above, such as funeral homes, would be able to claim VAT incurred in relation to their business activities as an input tax credit. Further, claims for refunds (the difference between the input tax incurred and output tax charged) with respect to zero-rated supplies may be made on a monthly basis **provided that at least fifty percent (50%) of the supplies are zero rated.**

If you require additional information or assistance on VAT, feel free to contact the Value- Added Tax and Excise Tax Department situate at 210 ‘E’ Albert and Charlotte Streets or by the telephone numbers 227- 7567, 227-7672 or 227- 3696.