



VAT Policy Corner

Policy 3 – VAT and Education

The following forms the guiding principle with respect to education services and educational material. It provides a comprehensive list of the educational materials that are zero rated.

Schedule 1, paragraph 2 (ee) of the Value-Added Tax (VAT) Act zero-rates “a supply of education service and educational materials”.

Educational material is defined in paragraph I Schedule I as:

- a. Printed books, including children’s picture books, children’s drawing books, coloring books, instructional newspaper, and newsletters marketed to students.
- b. Academic journals, academic periodicals and other educational, academic, or instructional printed matter, used for educational, literary and technical purposes, but **not including** magazines, pricelists, and directories.
- c. School supplies of student-use quality, including school exercise books, pencils, and erasers, rulers, protractors, dividers and compasses for school use.

Magazines, pricelists, and directories are not zero rated and are therefore be subject to VAT at the rate of 16%.

Note that the term “school supplies of student-use quality” refers to materials used predominantly by students. For example, simple protractors that are used for drawing or measuring angles are categorized as a supply of student-use quality, and as such, are zero rated.

On the other hand, protractors such as dial protractors, digital protractors and magnetic angle locator protractors, which are used by professional architects and draftsmen, are subject to VAT.

Printed Books

Under Schedule I, **all** printed books are zero-rated. This includes the following:

1. Text Books
2. Children’s Story Books
3. Novels
4. Children’s Picture Books

5. Children's Drawing Books
6. Colouring Books
7. Instructional Newspapers or Newsletters
8. Dictionaries
9. Recipe Books
10. Religious Books

School Supplies of a student-use quality

The following school supplies are zero-rated under **Schedule I of the VAT Act**.

1. Exercise books
2. Notebooks (spiral and composition)
3. Music manuscripts
4. Graph books and Graph paper
5. Pencils
6. Erasers
7. Hand held pencil sharpeners
8. Rulers
9. Protractors
10. Dividers and compasses for school use
11. Geometry sets
12. Chalk (white and colored)
13. Chalkboard eraser
14. Crayons (wax and wooden)
15. Maps, Globes and Atlases
16. Lunch Kits
17. Educational charts, e.g. ABC's, Numbers, etcetera
18. File paper (loose leaf ruled three-holed filler paper)
19. Scientific Calculators **only**
20. Student's paints in tablets, tubes, jars, bottles, sets or in similar forms or packages.

Persons who still have queries with respect to VAT are encouraged to write to the Commissioner, VAT and Excise Tax Department, 210'E' Albert and Charlotte Streets, Bourda for clarification.