



## **VAT POLICY CORNER**

### **POLICY No. 30: VAT Refunds and Non-Residents**

The Guyana Revenue Authority (GRA) continues to clarify issues regarding Value-Added Tax (VAT). Non-resident persons have been making enquires in relation to refunds of VAT paid on goods purchased by non-residents.

The following therefore, forms the guiding principle governing the application and granting of refunds to non-residents.

Generally, visitors to Guyana have to pay VAT at the standard rate of sixteen percent on good and services acquired whilst staying in Guyana, including purchases made at the duty free shops at the airport.

However, VAT paid on clothing bought and worn during the period the non-resident person stays in Guyana *will not be refunded* since that person would have consumed the good in Guyana.

Section 37 (1) (d) of the VAT Act of 2005 provides for a refund of the VAT paid by **non-residents** which amounts to or exceeds twenty thousand Guyana Dollars (G\$20,000).

Refunds will be paid to a non-resident person who purchased **goods** in Guyana and removes it from Guyana as part of his/her personal accompanied baggage.

It must be noted that refunds provided to non-residents are not available to any citizen or permanent resident of Guyana, and the determination of permanent residency is whether that person resided in Guyana for more than 183 days in the year.

Persons who are presently citizens of both Guyana and another country will be treated as a citizen of the other country for the purpose of the above Section. However, documentary proof must be provided to support the claim and payment will be processed and dispatched to the claimant in the currency of the country where that person resides.

To be eligible for refund, the applicant must file a claim supported by documentary evidence to prove that VAT was paid on the goods which are being exported and that the goods was purchased by him/her.

Documentary evidence may include an original tax or sales invoice indicating the amount of VAT paid, your overseas address, copies of pages of passport showing your biodata, and the date of entry into the Guyana.

Further, a physical inspection of the goods to be exported will be conducted by GRA officials at the border or airport.

Claims for VAT refunds by non-residents must be made on an official VAT refund Application Form (VAT form 31), which are available at the airport, other ports of entry and departure, the VAT & Excise Tax Department and any Regional VAT office.

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