

VALUE ADDED TAX ACT
(Cap. 50:03)

VALUE ADDED TAX (REMISSION OF PENALTIES AND INTEREST)
AMNESTY REGULATIONS, 2021
(Published on 8th June, 2021)

ARRANGEMENT OF REGULATIONS

REGULATION

1. Citation and commencement
2. Interpretation
3. Tax amnesty
4. Scope of tax amnesty
5. Tax periods covered by tax amnesty
6. Tax amnesty period
7. Persons eligible for tax amnesty
8. Persons not eligible for tax amnesty
9. Notification to Commissioner General of payment of principal tax debt

IN EXERCISE of the powers conferred on the Minister of Finance and Economic Development by section 77 (1) as read with section 62 (6) of the Value Added Tax Act, the following Regulations are hereby made —

1. These Regulations may be cited as the Value Added Tax (Remission of Penalties and Interest) Amnesty Regulations, 2021 and shall come into operation on 1st July, 2021. Citation and commencement

2. In these Regulations, unless the context otherwise requires — Interpretation
“principal tax debt” means the primary tax liability that is due and payable under the Act but does not include penalties or interest; and
“tax amnesty” means a limited-time opportunity for taxpayers to pay the principal tax debt in exchange for the forgiveness of interest and penalties.

3. (1) Where a taxpayer is required to pay interest charged on a principal tax debt in accordance with section 22 of the Act, the Minister shall in accordance with these Regulations and pursuant to section 62 (6) of the Act, grant tax amnesty from the payment of interest on an unpaid principal tax debt. Tax amnesty

(2) Where a taxpayer is required to pay any penalty charged under the Act, the Minister shall in accordance with these Regulations and pursuant to section 62 (6) of the Act, grant tax amnesty from the payment of the penalty.

4. (1) In accordance with section 62 (6) of the Act, the scope of the tax amnesty which the Minister shall grant shall be — Scope of tax amnesty

(a) on a penalty or an interest that has remained due and unpaid or has accrued during the period provided for under regulation 6; and

(b) to provide all eligible taxpayers with an opportunity to be granted tax amnesty in accordance with these Regulations;

Provided that where there is a principal tax debt, the tax amnesty shall only be granted where the taxpayer has paid the principal tax debt in full.

(2) The tax amnesty shall not cover any fines imposed under the Act.

| | |
|-----------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Tax periods covered by tax amnesty | 5. The tax amnesty shall cover tax liabilities for all tax periods prior to 1st July, 2021. |
| Tax amnesty period | 6. The tax amnesty shall become available from 1st July, 2021 to 31st December, 2021. |
| Persons eligible for tax amnesty | <p>7. A person shall be eligible for tax amnesty where the person —</p> <ul style="list-style-type: none"> (a) has an outstanding principal tax debt that has a penalty or interest liability; (b) has filed a tax return but has not paid the whole or part of the tax due under the tax return; (c) has paid the principal tax debt but has an outstanding penalty or interest; (d) only has an outstanding penalty, interest or both; (e) has not filed a tax return that is due to be filed or should have been filed; (f) is eligible or was eligible to register in accordance with section 16 of the Act; (g) has filed an objection with the Commissioner General; or (h) has a pending appeal case before the Board of Adjudicators, the High Court or the Court of Appeal. |
| Persons not eligible for tax amnesty | <p>8. A person shall not be eligible for the granting of a tax amnesty where the person —</p> <ul style="list-style-type: none"> (a) has paid the principal tax debt, penalty and interest prior to the commencement of the tax amnesty period; (b) has previously been convicted of a criminal offence under the Act; or (c) has been convicted of an organised crime, including money laundering, human trafficking, poaching, economic sabotage, corruption, drug trafficking or involvement in terrorism or any transnational crime. |
| Notification to Commissioner General of payment of principal tax debt | <p>9. (1) Where a taxpayer has paid the principal tax debt in order for tax amnesty to be granted for any penalty or interest, the taxpayer shall notify the Commissioner General, in an electronic format provided by the Commissioner General, within seven days of payment; provided that the notification shall be made on or before 31st December, 2021.</p> <p>(2) Upon receipt of notification of the payment under subregulation (1), the Commissioner General shall effect the remission of the penalty or interest, where applicable, and shall notify the taxpayer of such remission within 21 days.</p> |

MADE this 3rd day of June, 2021.

PEGGY O. SERAME,
*Minister of Finance and Economic
Development.*