

These notes are for guidance only. They reflect the Law and the Department's position at the time of publication. They do not replace the Legislation or affect your Rights of Appeal about your tax position.

If in doubt, consult the Inland Revenue Department, VAT Section.

Each leaflet covers just one topic. Other leaflets you may find useful include:

What is VAT?

Should I be registered for VAT?

How to register for VAT?

After Registration

Basic Supply Rules

Mixed Supply Rules

Accounting for VAT

Reporting the VAT

Penalties and Offences under the VAT Act

VAT Legislative Overview

VAT and the Consumer

Filing VAT Returns

VAT Documents

Input Tax Deductions

VAT & Entertainment

Transitional Provisions

You can get further help and forms and information leaflets from the Inland Revenue Department in Castries, Vieux Fort and Soufriere or The VAT Section, Manoel Street, Castries.

VAT Documents



For further information contact us at:

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Documentation for VAT is critical for the timely and accurate filing of VAT returns.

1. VAT INVOICE

An invoice is a document issued to notify an obligation to make a payment. A VAT invoice should not be confused with an ordinary invoice.

A VAT invoice is a document that a registered business is required to issue to another registered supplier under the VAT law.

As a registered supplier, you must issue a VAT invoice when you make a taxable supply to a registered person, however if the cost of the supply does not exceed \$50.00 a sales receipt may be issued. Additionally, a VAT invoice must contain certain specific information.

What information must a VAT invoice contain?

A VAT invoice **must** contain the following information:

- The words 'Value Added Tax invoice' or 'VAT Invoice' prominently displayed.
- The name, address and taxpayer identification number (TIN) of the supplier.
- The name, address and TIN of the Recipient.
- The serial number of the VAT Invoice.
- The date on which the VAT invoice is issued. This will determine the time of supply and your calculation of turnover.
- A description of the goods or services supplied, including the quantity, volume or period, as applicable.
- The consideration/payment for the supply.
- The rate of VAT.
- The amount of VAT charged.

If there are any special circumstances that may make it impossible or undesirable to show this information, you must seek the advice of the Comptroller of Inland Revenue (IRD) before you produce any VAT invoice that does not comply with the law.

2. SALES RECEIPT

A registered supplier who makes a taxable supply to a recipient who is not registered should issue a sales receipt and not a VAT invoice. *The Sales receipt must contain the following information:*

- The words "VALUE ADDED TAX RECEIPT", "VAT SALES RECEIPT", prominently displayed;
- The name, address and TIN of the supplier;
- The date on which the sales receipt is issued;
- A description of the goods and services supplied, including the quantity, volume, or period, as applicable, and if necessary to identify the supply, the date on which the supply was made;
- The total consideration for the supply (including VAT)
- Rate of VAT; and
- The amount of VAT charged.

3. VAT CREDIT NOTE

A credit note is essentially used to rectify errors in an already-issued sales invoice or receipt. If someone has already paid money for an item or service he has either not received or which was flawed, a credit note acknowledges that he is owed items or services from the individual or organization in the amount already paid.

The credit note shall contain the following particulars:

- The words "Value Added Tax Credit Note" or VAT Credit Note" in a prominent place;
- The name, address and TIN of the supplier;
- The name, address and TIN of the recipient;
- The serial number of the credit note and the date on which the credit note was issued;
- The reason for the issue of the credit note and sufficient information to identify the taxable supply to which it relates;
- The consideration for the supply shown on the original VAT invoice and, if it has changed, the correct amount of the consideration for the supply; and
- The effect of the VAT adjustment event on the VAT payable, shown by specifying:

1. The amount of VAT previously payable in relation to the supply, as shown on the original VAT invoice or, if relevant, as shown on the most recent VAT debit or credit note issued in relation to the supply;

2. The correct amount of VAT payable in relation to the supply following the VAT adjustment event that gave rise to

the requirement to issue the credit note; and

3. The difference between those two amounts, shown as a credit.

4. VAT DEBIT NOTE

Debit notes are generally used in business-to-business transactions. It is a document used by a purchaser to inform a vendor of the quantity and dollar amount of goods being returned, and requesting that the dollar amount be returned to the purchaser. A debit note is often used to return goods on credit.

The debit note shall contain the following particulars:

- The words "Value Added Tax Debit Note" or "VAT Debit Note" in a prominent place;
- The name, address and TIN of the supplier;
- The name, address and TIN of the recipient;
- The serial number of the debit note and the date on which the debit note was issued;
- The reason for the issue of the debit note and sufficient information to identify the taxable supply to which it relates;
- The consideration for the supply shown on the original VAT invoice and, if it has changed, the correct amount of the consideration for the supply; and
- The effect of the VAT adjustment event on the VAT payable, shown by specifying:

1. The amount of VAT previously payable in relation to the supply; as shown on the original VAT invoice or, if relevant, as shown on the most recent VAT debit or credit note issued in relation to the supply;

2. The correct amount of VAT payable in relation to the supply following the VAT adjustment event that gave rise to the requirement to issue the debit note; and

3. The difference between those two amounts, shown as a debit.

OTHER VAT DOCUMENTS:

- Customs documentation relating to imports and exports;
- Accounting records relating to taxable activities carried on in Saint Lucia; and
- Any other records as may be prescribed by Regulations.