

VAT rate reduced from 14% to 12%

Effective 3 August 2022

Following our Tax Alert 2 alert issued on Friday, 29 July 2022, the expected Statutory Instrument and Bill were published in an Extraordinary Government Gazette dated 1 August 2022.

Contact a specialist - we're here to help!

Get in touch with our Taxation team to find out how this measure could impact your business.

Value Added Tax (decrease in rate of tax) Order, 2022 (Statutory Instrument no. 96 of 2022)

- The VAT rate for standard rated supplies is reduced from 14 to 12%, for a period of six months, with effect from 3 August 2022.
- It is expected that the Commissioner General, BURS, will issue implementation guidance/ transitional provisions.

Value Added Tax (amendment) Bill, 2022 (Bill no. 14 of 2022)

- The Bill seeks to give effect to the VAT zero-rating of the supply of cooking oil and liquid petroleum gas.
- The zero-rating will become effective on approval by parliament and promulgation of the law.



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