

IMPACT OF GST ON FISHING AND AGRICULTURE

Locally produced fishing and farming supplies captured in the 'essential basket of food' are zero-rated for the purposes of the GST Act and Regulations. The following foods are zero-rated:

- Locally produced fish
- Locally produced meat
- Locally produced eggs
- Chicken
- Fruits and vegetables

A full listing of the zero-rated supplies is available at Schedule 1 (Table 4) of the GST Regulations, 2022.

WHAT ARE ZERO-RATED SUPPLIES?

These are goods and services which are subject to GST, but at the rate of zero (0) percent. Although no GST is charged or collected on these supplies, persons providing these supplies may register for GST and recover GST paid on inputs used in the production of these supplies.

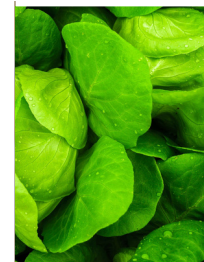
Since fishermen and farmers generally provide zero-rated supplies, they may register for GST whether or not they meet the registration threshold.



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WHEN CAN I CLAIM A REFUND OF GST?



Normally, excess credits are carried forward to the next three (3) tax periods after which, you would be able to file a claim for a refund if remaining excess credit is EC\$1000 or more. However, in the case of fishermen and farmers, the Comptroller will facilitate monthly claims for refunds notwithstanding the value of the refund.



Goods & Services Tax Guide



FISHING & FARMING




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GOVERNMENT OF ANGUILLA Inland Revenue Department

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DISCLAIMER

These notes are for guidance only. They reflect the law and the tax position at the time of publication. They do not replace the legislation or affect your right to object and appeal. If in doubt, you should consult the Inland Revenue Department.

You may find the following documents useful for further explanation on specific issues: -
GST Act 2021
GST Regulations 2022
GST Guide
Specific Sector Guides

I AM A FISHERMAN/FARMER. WHEN AND HOW DO I REGISTER FOR GST?

You must register for GST if:

- a) The value of your taxable supplies for the previous 12 months met or exceeded the GST registration threshold of EC\$300,000; or
- b) At the beginning of any 12-month period you consider that the value of your taxable supplies will meet or exceed the threshold in the next 12 months.

You are encouraged to apply for voluntary registration if you are operating below the registration threshold. This is to enable you to reclaim GST paid on local business purchases and expenses.

You can visit the Inland Revenue Department (IRD) or access the registration forms from the IRD website. Form F2 is to be completed by Sole Proprietors and Form F3 by Non-individuals such as Partnerships and Companies.

WHAT ARE MY OBLIGATIONS ONCE I AM REGISTERED FOR GST?

One registered for GST, you will be issued a GST Certificate and you will be obligated to:

- Charge GST, if providing taxable goods or services
- Issue proper tax invoices and sales receipts
- Keep proper books and records in Anguilla, in XCD and in English
- Submit monthly returns to the IRD
- Remit GST payable, if applicable
- Apply for refund if eligible
- Present books and records for auditing by IRD officers
- Keep books and records for seven (7) years

Please refer to GST Guide and Guide to Keeping Proper Books and Records for more information.

WHAT INPUTS ARE ALLOWABLE FOR FISHERMEN AND FARMERS?

Several supplies/inputs for farming and agriculture are zero-rated under the GST Act and Regulations. This means that you will pay GST at 0% on imports and local purchases of these items. Additionally, the Ministry of Economic Development will continue to approve import duty and GST exemption on essential inputs on importation only for these sectors. Please note however, that you will be required to pay the GST on local purchases of inputs and expenses such as electricity, rental of fishing equipment and vessels and materials for vessel repairs.

A full listing of the zero-rated supplies/inputs is available at Schedule 1 (Table 2) of the GST Regulations, 2022.

IF I AM AN IMPORTER OF FRESH FISH FROM OTHER COUNTRIES, DO I NEED TO PAY GST?

Yes. Importation of fish products is subject to GST as only locally produced fish is zero rated.

WHAT IF I ACQUIRE LAND FOR AGRICULTURAL PURPOSES?

Lease, hire rental or purchase of land for agricultural purposes is an exempt supply and therefore not subject to GST.



IN ADDITION TO SUPPLYING ZERO-RATED SUPPLIES, I ALSO SUPPLY OTHER SERVICES SUCH AS HIRING OF MACHINERY, EQUIPMENT AND VESSELS. DO I CHARGE GST ON THESE SERVICES?

Yes. These services are taxable; you must therefore charge GST (13%) if you are registered for GST.

WHAT IF I OFFER FISHING CHARTERS?

Fishing charters are subject to GST; hence if you are registered for GST, you will charge GST on this activity at the standard rate of 13%.

Please note that only GST registered persons can charge the tax.

HOW DO I ACCOUNT FOR GST ON MY SUPPLIES?

You declare your total output tax (GST charged on sales) and input tax (GST paid on purchases) on your monthly GST return. Your input tax is offset against your output tax. If your output tax exceeds your input tax, the difference is what you remit to the IRD. If the input tax exceeds the output tax, you will be in an excess credit position.

You must file your GST return on or before the 20th of the following month or the next working day; if the 20th falls on a weekend or public holiday.

Please note that you are required to file a nil return if you had no transaction in a given month.