



Revenue Collection Division

INSTRUCTIONS FOR COMPLETING VALUE ADDED TAX (VAT) RETURN

The return form allows a **registered person** to make a Value Added Tax (VAT) return, either monthly, quarterly or annually, as required by the VAT Decree.

Please note that if you are required to register under the VAT Decree, you must register **before** you complete the return. You can register by completing the Application for Registration form, and lodging it at an FIRCA office listed at the end of these instructions.

IMPORTANT: After the VAT return is completed, it must be lodged with FIRCA and any tax paid, by the last day of the month after the end month of the return. Penalties apply for late lodgement of returns or late payment of tax.

Complete the VAT return form in black or blue pen. **PRINT CLEARLY.** A typewriter may also be used.

There are **3 main steps** in completing this return:

1. Work out your Total Output Tax
2. Work out your Total Input Tax
3. Work out your tax payable or refund due

(Tax is payable if Total Output Tax is higher than Total Input Tax).

In Section A, you must complete:

- your Tax Identification Number (TIN);
- your name;
- your mailing address for VAT purposes; and
- the period for which the return is being made. A return for March 2007 by a monthly taxpayer, for example, would be written as:

Year – “2007”
Start month – March
End month – March.

A return for a quarterly taxpayer whose taxable period ended in March 2007 would, for example, be written as:

Year – “2007”
Start month – “January”
End month – “March”

A 2007 return for an annual taxpayer (for cane farmers only) would, for example, be written as:

Year – “2007”
Start month – “January”
End month – “December”

Section B: Sales/Income

This part of the return is used for calculating your amount of Output Tax for the taxable period.

If the figure for any of the boxes is nil write “Nil” in that box.

Note: If your total sales/income for the period is NIL, you must attach a sheet explaining the reasons for this. This sheet must be signed by you.

Item 1 – Total Taxable Supplies

Write in this box the total taxable supplies made by you during the period, inclusive of VAT.

Item 2 – Zero-Rated Supplies

Write in this box the total amount of zero-rated supplies made by you during the period, included in the “Total Taxable Supplies” amount.

Note: Vat Registered persons who are also registered as an exporter are to declare any local sales for the period in item 3 below.

Item 3 – Total Supplies Subject to VAT

Deduct the amount at Item 2 from the amount at Item 1, and write the result in the box. This will give you the figure for total supplies subject to VAT for the period.

Item 4 – VAT charged by you

Divide the figure in Item 3 by nine (9), and write the result in the box. This will give you the figure for VAT charged by you for the period.

Item 5 - VAT Output Adjustments

Write in this box the total of all the following amounts for the period, if any:

- VAT on goods and services taken for private use
- VAT on goods and services appropriated to non-taxable use other than private use
- VAT on barter transactions
- VAT on fringe benefits provided to employees
- VAT on bad debts recovered
- VAT on insurance indemnity payments received
- VAT on assets retained at the time of ceasing to be registered
- VAT on debit notes issued
- VAT on credit notes received
- VAT payable due to a change in accounting basis.

Item 6 – Total Output Tax

Add the amounts at Items 4 and 5 together, and write the result in the box. This will give you the figure for total Output Tax for the period.

Section C: Purchases/deductions

This part of the return is used for calculating your amount of Input Tax for the taxable period.

If the figure for any of the boxes is nil write “Nil” in that box.

Item 7 – VAT on Total Taxable Supplies

Write in this box the VAT on total taxable supplies received by you during the period, (excluding VAT paid on imported goods). Include only that amount of VAT which meets the VAT invoicing requirements.

Item 8 – Customs VAT

Write in this box the amount of VAT you have paid to, or have been invoiced by, FIRCA.

Attach customs entry as evidence of your Customs VAT claim.

Item 9 – VAT Input Adjustments

Write in this box the total of all the following amounts for the period, if any:

- VAT on bad debts written off
- VAT on credit notes issued
- VAT on debit notes received
- VAT refundable due to a change in accounting basis.

Refer to the attached VAT Input schedule Format

Item 10 – Total VAT charged to you

Add the amounts at Items 7, 8 and 9 together and write the result in the box.

Item 11 – Apportionment of Input Tax

If some of the goods and services supplied to you in the period are not wholly used for the purposes of making taxable supplies, then the portion of the input tax which represents the supplies not subject to VAT over total supplies will not be allowed. The adjustment should be calculated as follows:

Supplies not taxable

Total supplies x Input tax

However, no apportionment of this needs to be made where the value of supplies made by you that are not taxable supplies is not more than:

- (a) 5% of the total value of supplies during the period, or
- (b) \$4,000

whichever is the lesser.

The FIRCA may accept another basis of apportioning input tax.

Item 12 – Total Input Tax

Deduct the amount at Item 11 from the amount at Item 10 and write the result in the box. This will give you the figure for total Input Tax for the period.

Item 13 – Amount to Pay/Refund Due

Deduct Item 12 from Item 6 and write the result in the box. This may either be a positive or negative amount.

If your Total Output Tax is higher than Total Input Tax (a positive amount), the difference is the amount of tax you have to pay when you lodge this return.

If your Total Output Tax is lower than Total Input Tax (a negative amount), the difference is the amount of tax refundable to you. The FIRCA will process the return and mail you a refund cheque.

If the amount at Item 13 is **less than \$5**, it will be ignored. You must still lodge the return, but you do not have to remit the amount if it is a payable situation, and you will not receive any refund if it is a refund situation.

Section D: Declaration

Write your name, sign and date the return.

If the return is prepared by a person other than the taxpayer, that person should write the capacity in which they are completing the return eg “tax agent”.

Also state the tax agent No and Phone Contact of the tax agent working on your behalf, if any.

Note: the VAT Decree provides severe penalties for persons who make false VAT returns.

If you wish to have your VAT refunds sent **directly to a bank account**, write the bank name and account number in the boxes provided. You only need to advise the FIRCA of this once, or if the account number later changes.

What to do with the completed form

You may either post the form to FIRCA or bring it to any of the FIRCA offices listed below.

If **posting** the form send it (with a cheque for payment of any tax) to:

For Central & Eastern Division businesses:

Commissioner of Inland Revenue
Private Mail Bag
Suva

For Western Division businesses:

Commissioner of Inland Revenue
Private Mail Bag
Lautoka

For Northern Division businesses:

Commissioner of Inland Revenue
Private Mail Bag
Labasa

If **bringing** the form to FIRCA office, take it to the office nearest to you at the following addresses:

For Central & Eastern Division businesses:

1st Floor Waisomo House
Thurston St
Suva

For Western Division businesses:

Revenue House
19 Tavewa Avenue
Lautoka

For Northern Division businesses:

First Floor Rupan Building
Corner of Nanuku & Jaduram Street
Labasa

If bringing the form to FIRCA office, a FIRCA officer will check it and advise if you have missed out any details. If you need help filling in the form ask the FIRCA officer at the counter.

