

Our Ref: BRAHQ210

November 22, 2019

COMMUNIQUE

Re: E-commerce Collection Management System

The Barbados Revenue Authority (hereinafter referred to as “the Authority”) wishes to advise all overseas merchants that the Government of Barbados has enacted the **Value Added Tax (Amendment) Act, 2019-09** of the Laws of Barbados (hereinafter referred to as “the Act”). The Act makes provision, in certain cases, for the collection of Value Added Tax (hereinafter referred to as “VAT”) on goods and services purchased online where the goods and services are for consumption in Barbados. A copy of the said legislation is herewith enclosed for ease of reference and records.

As a result, overseas merchants are required to register, charge and collect VAT on goods and services on behalf of the Authority effective December 1, 2019. Please note that the earlier communiqué dated April 11, 2019 and which was forwarded to Network Core Media Netherlands Coöperatief U.A. for circulation would not be applicable to you. A copy of the said communiqué is also enclosed for ease of reference.

This communiqué is directed to all overseas merchants conducting, facilitating or participating in transactions utilizing all payment methods, such as credit cards, debit cards, charge cards or pre-paid cards, for the purchase of goods or services for consumption in Barbados.

It must be noted that all overseas merchants to which the legislation applies, must register with the Authority’s Tax Administration Management Information System (“TAMIS”). Thereafter, all overseas merchants shall charge, collect and remit VAT on goods and services which have been purchased for consumption in Barbados. They will also be required to file VAT returns with the Authority for the purposes of reconciling the VAT charged and collected on behalf of the Authority and the VAT actually remitted to the Authority.

The following terms and conditions would apply:

- The overseas merchants must comply with the requirements under the Value Added Tax Act, Cap. 87 of the Laws of Barbados.
- The overseas merchants must have the necessary accounting systems and processes in place to account for, and complete an accurate and timely filing of a VAT Return with the Authority.
- The overseas merchants shall charge, collect and remit VAT effective December 1, 2019. In addition, the overseas merchants must immediately notify the Authority in writing where VAT on goods and services is wrongfully charged and collected.
- The overseas merchants are not required to appoint a local agent to facilitate tax matters in Barbados.
- This voluntary registration with the Authority is solely for the purposes of facilitating the filing of VAT returns and the remittance of VAT on online goods and services prescribed by the Value Added Tax (Amendment) Act, 2019-09 of the Laws of Barbados.
- Registration with the Authority will not require the adherence to any other Barbados Taxing Statutes in Barbados.
- The VAT shall be remitted to the Authority by the 21st day of the following months, namely, January, April, July and October.

Should you have any queries, please do not hesitate to contact the following:

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Warrens, St. Michael
Barbados W.I.
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Your cooperation in this matter is greatly appreciated.

Yours faithfully



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Wayne Forde (Mr.)
Revenue Commissioner
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