

## **PUBLIC NOTICE**

### **VALUE ADDED TAX (VAT) PROVISIONS AMENDED**

The Botswana Unified Revenue Service (BURS) wishes to inform the public that Parliament approved amendments to certain provisions of the Value Added Tax (VAT) Act at its sitting in November/December, 2014. The amendments have since been passed into law and published as Supplement A to the Botswana Government Gazette dated 23<sup>rd</sup> January 2015. The amendments include the zero rating of certain basic foodstuffs and revision of the VAT registration threshold from P500, 000 to P1, 000, 000.

The food stuff that have been zero-rated from VAT are as follows:

- Brown bread
- Fresh vegetables (in natural state)
- Fresh fruits (in natural state)
- Rice (husked, milled, polished, glazed, parboiled or broken)
- Samp (not further prepared/ processed)
- Milk (cattle, sheep or goat milk not concentrated, condensed, evaporated, sweetened, flavoured or cultured)
- Bread flour (white, brown or whole wheat)

The Botswana Unified Revenue Service therefore advises all VAT registrants that are affected by the changes to take practical steps to implement the amendments with immediate effect so as to ensure that the public benefits from the zero-rated food stuffs.

Similarly, all businesses that are registered but have an annual turnover of less than P1, 000, 000 should arrange with BURS for the necessary deregistration in compliance with the new amendments.