

VAT Debit Note

Except the Comptroller may otherwise allow, the Act requires a taxable person to issue a VAT debit note, which shall contain the following particulars:

- the words “Value Added Tax Debit Note” or “VAT Debit Note” in a prominent place;
- the name, address and TIN of the supplier;
- the name, address and TIN of the recipient;
- The individualized serial number of the debit note and the date on which the debit note was issued;
- The reason for the issue of the debit note and sufficient information to identify the taxable supply to which it relates;
- The consideration for the supply shown on the original VAT Invoice and, if it has changed, the correct amount of the consideration for the supply; and
- The effect of the VAT adjustment event on the VAT payable, shown by specifying:
 - i. The amount of VAT previously payable in relation to the supply; as shown on the original VAT invoice or, if relevant, as shown on the most recent VAT debit or credit note issued in relation to the supply;
 - ii. The correct amount of VAT payable in relation the supply following the VAT adjustment event that gave rise to the requirement to issue the debit note; and
 - iii. The difference between those two amounts, shown as a debit.

This leaflet is part of our new series of leaflets, written in plain language, to explain various aspects of the tax system.

Each leaflet covers just one topic. Other leaflets you may find useful include

- IR101 What is VAT?
- IR102 Should I be registered for VAT?
- IR103 How to register for VAT?
- IR104 Basic Supply Rules
- IR104A - Special Supply Rules
- IR106 Keeping VAT Records & Accounts
- IR107 Accounting for VAT
- IR108 Penalties and Offences under the VAT Law
- VAT and the Consumer

You can get further help, copies of forms and information leaflets from the Inland Revenue Division, Financial Complex, Carenage or VAT Unit Cnr. Young and Scott Streets, St. George's.

For further information contact our Division at:

Tel: (473) 435 6945/46, 435-9084.

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**TAX
DOCUMENTS**

IR105

Introduction

Documentation for VAT is critical for the timely and accurate filing of VAT returns.

What is a VAT invoice?

An invoice is a document issued to notify an obligation to make a payment.

A VAT invoice should not be confused with an ordinary invoice.

A VAT invoice is a document that a VAT registered business is required to issue to another registered supplier under the VAT law.

As a registered supplier, you must issue a VAT invoice when you make a taxable supply to a registered person. However if the cost of the supply does not exceed \$50.00, a sales receipt maybe issued.

Additionally, a VAT invoice must contain certain specific information.

What information must a VAT invoice contain?

To comply with the law, a VAT Invoice must contain the following information:

- the words 'Value Added Tax Invoice' or 'VAT Invoice' prominently displayed
- the name, address and taxpayer identification number of the supplier
- the name, address and TIN of the Recipient
- the serial number of the VAT Invoice

- the date on which the VAT invoice is issued since this will determine the time of supply and thus may affect your calculation of output VAT when accounting for VAT.
- a description of the goods or services supplied, including the quantity, volume or period, as applicable
- the date on which the supply was made
- the consideration/payment for the supply
- the amount of VAT charged.

If there are any special circumstances that may make it impossible or undesirable to show this information, you must seek the advice from the Comptroller of Inland Revenue before you produce any VAT invoice that does not comply with the law.

Sales Receipt

A registered supplier who makes a taxable supply to a recipient who is not registered should issue a sales receipt and **not a VAT Invoice** which must contain the following information:

- The words "**VALUE ADDED TAX RECEIPT**", "**VAT SALES RECEIPT**", prominently displayed;
- The name, address and TIN of the supplier;
- The date on which the sales receipt is issued;
- A description of the goods or services supplied, including the quantity, volume, or period, as applicable, and if necessary to identify the supply, the date on which the supply was made;
- The total consideration for the supply (including VAT); and
- The amount of VAT charged.

VAT Credit Note

Except as the Comptroller may otherwise allow, where the Act requires a taxable person to issue a VAT credit note, the credit note shall contain the following particulars:

- The words "Value Added Tax Credit Note" or VAT Credit Note" in a prominent place;
- The name, address and TIN of the supplier;
- The name, address and TIN of the recipient;
- The individualized serial number of the credit note and the date on which the credit note was issued;
- The reason for the issue of the credit note and sufficient information to identify the taxable supply to which it relates;
- The consideration for the supply shown on the original VAT Invoice, and, if it has changed, the correct amount of the consideration for the supply; and
- The effect of the VAT adjustment event on the VAT payable, shown by specifying:
 - i. The amount of VAT previously payable in relation to the supply, as shown on the original VAT Invoice or, if relevant, as shown on the most recent VAT debit or credit note issued in relation to the supply;
 - ii. The correct amount of VAT payable in relation to the supply following the VAT adjustment event that gave rise to the requirement to issue the credit note; and
 - iii. The difference between those two amounts, shown as a credit.