

Act 25

Value Added Tax (Amendment) Act

2010

THE VALUE ADDED TAX (AMENDMENT) ACT, 2010

An Act to amend the Value Added Tax Act to add the supply of software licences and the supply of biodegradable packaging materials to the list of exempt supplies.

DATE OF ASSENT: 19th October, 2010.

Date of Commencement: See section 1.

BE IT ENACTED by Parliament as follows—

1. Commencement

This Act shall be deemed to have come into force on the 1st day of July, 2010.

2. Amendment of section 1 of the VAT Act

Section 1 of the Value Added Tax Act, is amended by inserting immediately after paragraph (a) a new paragraph (aa) as follows—

“(aa) biodegradable packaging material” means packaging material which can undergo a breakdown of its entire composition and by naturally existing micro organisms in the presence of air and water at specific temperatures into smaller constituent components within a given time of usually not more than six months.”

3. Amendment of Second Schedule to the VAT Act

The Value Added Tax Act, is amended in the Second Schedule—

(a) by substituting for paragraph 1(w), the following—

“(w) the supply of computer software and software licences.”;

(b) by inserting immediately after paragraph (ii) the following—

“(jj) the supply of biodegradable packaging materials.”