

GOVERNMENT NOTICE No. 249 published on 12/10/2001

THE VALUE ADDED ACT, 1997
(ACT NO 24 OF 1997)

REGULATIONS

Made under section 14

THE VALUE ADDED TAX (IMPORTED SERVICES) REGULATIONS, 2001

Citation	1.	These Regulations may be cited as the Value Added Tax (Imported Services) Regulations, 1998
Interpretation Amended GN 182 July 2006	2.	In these Regulations, unless the context requires otherwise "Act" means the Value Added Tax Act, 1997; "Services" has the meaning assigned to it under section 5(4) of the Tax "Imported Services" means a supply of services by a business outside mainland Tanzania to a recipient who is a resident of mainland Tanzania for the purpose of any business carried by that person.
Reverse charge on services	3. (1)	Subject to sub-regulation (2) of this Regulation, where services are imported then the same consequences under the Act shall follow as if the recipient had himself supplied the services in mainland Tanzania in the course of or in furtherance of his business, and such supply were a taxable supply.
	(2)	Supplies which are treated as made by the recipient under sub-regulation (1) above, are not to be taken into account as supplies made by him when determining any allowance of input tax for partial exemption purposes.
Value of imported Services	4.	The value of imported services shall be the total amount paid for the supply or the values of any form of consideration, and shall be included in the taxable turnover of any business in determining liability for registration
Time of supply	5.	The recipient of the services must account for the tax on imported services when- (a) the services is performed or completed, (b) the invoice for the service is issues (c) any payment for the service made, whichever is earlier.
Recording	6.	The recipient of the service shall record the VAT Account:- (a) the tax due on imported services as output tax in the period in which the services are imported and, (b) A claim for the accounted tax as input tax in accordance with normal rules.

Dar es Salaam,
1st October, 2001BASIL PESAMBILI MRAMBA
Minister for Finance