

OBJECTS AND REASONS

This Bill would amend the *Value Added Tax Act, Cap. 87*

- (a) to change the current practice whereby interest is charged on the tax and penalty from the date on which the return was filed or should have been filed by the applicant; and
- (b) to make provision for the imposition of interest on the reassessment of output tax from the date of reassessment.

Arrangement of Sections

Section

1. Short title.
2. Amendment of section 82 of Cap. 87.

BARBADOS

A Bill entitled

An Act to amend the *Value Added Tax Act*

ENACTED by the Parliament of Barbados as follows:

1. This Act may be cited as the *Value Added Tax (Amendment) Act, Short title. 2005.*

Amend-
ment of
section 82
of Cap. 87.

2. Section 82 of the *Value Added Tax Act* is amended by inserting the following new subsection immediately after subsection (1):

"(1A) The interest on the reassessment of output tax shall accrue from the date of reassessment under subsection (1)."