Tax Administration Jamaica
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Quick GUIDE to GCT

The **General Consumption Tax** (**GCT**) is a Value Added Tax on consumption in Jamaica and is added to the price of goods and services. The standard rate of GCT is 15% as of April 1, 2020. See other rates below.

THE GENERAL CONSUMPTION TAX RATES	
0%	Zero rated goods & services
2%	Books and other printed material
5%	Advanced GCT
10%	Tourism
15%	Standard rate (***see rate history on website***)
25%	Telephone service and telephone instruments

The **General Consumption Tax Act** requires businesses in Jamaica that meet the criteria for registration to:

- **Apply for registration** at any of Tax Administration Jamaica's 29 tax offices island wide.
- **Upon registration, charge** and **collect** tax at the specified rate on applicable goods and services.
- **Calculate** net tax due for each taxable period (one month). Returns must be filed even when no supply is made or tax payable is nil.
- **Pay** the net GCT collected to the Tax Office (Tax Administration Jamaica) by the **last working day** of the month following the month in which the tax was collected.

Who is required to register? All persons engaged in a taxable activity with gross income of not less than $10,000,000 (w.e.f. April 1, 2020)

Who is exempt from registration? Persons who supply **ONLY** goods and services specified in the Third Schedule to the GCT Act. However, those who are engaged in the production of agricultural goods listed as exempt in the Third Schedule may apply for registration if they export the produce or supply them to a registered taxpayer for use in the production of finished goods.

Who is a "Person"? For the purposes of the GCT, a "Person" is:

- An individual
- A body corporate
- A partnership, or
- An unincorporated body, joint venture, or trustees of a trust

What is a Taxable Activity? An activity is taxable if it is:

- In the form of a business, service, trade, profession, vocation, association or club.
- In the case of imported services carried out at least once, or in the case of other activities carried out continuously or regularly.
- For profit or not for profit.
- Involves or Intended to involve, the supply of goods or services for a consideration.

  However it does not include:

  ⇒ any activity carried on essentially as a private recreational pursuit or hobby;

  ⇒ any engagement, occupation or employment under any contract of service;

  ⇒ a directorship of a company;

  ⇒ the supply of goods or services which are exempt

What are the benefits of being a registered taxpayer?

When a person registers as a taxpayer he will enjoy the following benefits under the GCT Act:

- **Input Tax Credit** – He will be able to claim a credit for GCT paid on his business purchases (Input Tax), whenever he supplies taxable goods or services.
- **GCT credits for Customers** – Only registered taxpayers can issue tax invoices to customers who are also registered taxpayers so that these customers will be able to claim an Input Tax Credit for purchases made.

How do I register?

- You must have a valid Taxpayer Registration Number (TRN)
- Complete the GCT Application Form at any tax office.