



Quick Guide to GCT



The General Consumption Tax (GCT) is a Value Added Tax on consumption and is added to the price of goods and services. The standard rate of GCT (on most items) in Jamaica is 16 1/2 percent (%) as of June, 2012.

The General Consumption Tax Act requires businesses in Jamaica to:

- **Apply for or Register** at the Tax Administration Jamaica (29 tax offices island wide)
- **Charge and Collect** tax at the specified rate on appropriate goods and services
- **Calculate** net tax due for each taxable period (one month) (Returns must be filed even when tax payable is nil)
- **Pay** the net GCT collected to the Tax Offices (Tax Administration Jamaica) on or before the end of the month following the month in which the tax was collected.

WHO IS REQUIRED TO REGISTER?

All persons engaged in taxable activities are required to register under the GCT Act.

WHO IS A “PERSON”?

For the purposes of the GCT, a “Person” is:

- An individual
- A Company
- A Partnership (including an unincorporated body, a joint venture, a trustee or a trust)

WHAT IS A TAXABLE ACTIVITY?

An activity is taxable if it is:

- In the form of business, trade, profession, vocation, association or club
- Carried out continuously or regularly
- For profit or not for profit
- Intended to involve, or involves, the sale/supply of goods or services
- Not specifically exempt under the Act

WHO IS EXEMPT FROM GCT REGISTRATION?

Anyone who is engaged solely in one or more of the following does not have to register for GCT:

- Any activity carried out essentially as a private recreational pursuit or hobby;
- Any engagement (i.e employment), occupation or employment under any contract of services or as a director of a company,
- The supply of goods or services which are exempt from the GCT

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 a GCT form at the Tax Office



FOR FURTHER DETAILS

Call: 1-888-TAX-HELP (829-4357) / 1-888-GO-JA-TAX (465-2829)

Email: taxhelp@taj.gov.jm | Website: www.jamaicatax.gov.jm /

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