

- (a) Motor vehicles and motor cycles (motor cycles with an engine capacity of 175 cc and less will not be subject to the payment of customs duty and excise tax; however, 14% VAT will be applicable;
- (b) Tobacco and tobacco products (except for imports of same quantity as allowed free of taxes to an incoming passenger);
- (c) Alcohol and alcoholic beverages (except for imports of the same quantity as allowed free of taxes to an incoming passenger);
- (d) Fuel; and
- (e) Explosives, firearms and ammunition

VAT Registration

In view of the taxation policy and procedures outlined at number three, some businesses may be required to register for VAT since tobacco, tobacco products, alcoholic beverages, Motor Vehicles and motor cycles, etc., attract VAT. For additional assistance, contact our Tax Advisory Services Section on how you can register your business.

Temporary Importation of Vehicles from Brazil to Guyana

Motor vehicles and cycles with Brazilian registrations, driven by Brazilian residents visiting Guyana, within and beyond the *'Defined Area'*, will be granted *'temporary importation status'*.

NOTE

A review of the existing Lethem Taxation Policy was conducted and a few recommendations were made. The objective is to strengthen tax administration in Lethem and other Region Nine areas where there exists inequity in the tax system, loss of revenue and increased risk to citizenry. As such there are likely changes in the following:

- The MoU between Guyana and Brazil to Establish a Special Border and Transport Regime for the Locations of Bonfim (Brazil) and Lethem (Guyana)
- The Lethem Taxation Policy
- The Policy on Reduction of Values



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Policy on Goods Imported into Guyana through Lethem / Brazil



Your Partner in Development

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 Services

Introduction

This brochure deals with the policy outlined by the Government of Guyana and the Guyana Revenue Authority in relation to goods imported into Guyana from Brazil, through Lethem, which are for consumption and use within and outside of the *'Defined Area'*.

What is meant by 'Defined Area'?

The Defined Area' comprises of Regions 9 and 8, up to the West Bank of Essequibo Rive at Kurupakari.

Is the Defined Area a Tax Free Zone?

According to the Tax Laws of Guyana, the *'Defined Area'* is **NOT** a tax free zone.

However, based on the policy set out by the Government of Guyana, taxes would not be paid on goods imported into Guyana from Brazil, through Lethem, ***provided that the goods will be used within the 'Defined Area'***.

On the other hand, if the goods imported are for use outside of the *'Defined Are'* these will be subject to the payment of Customs Duty, VAT, Excise Tax and Environmental Tax (where applicable).

(1) Goods Imported into Guyana at Lethem for sale, consumption and use within the 'Defined Area'

When goods (except the five categories of goods at 3 below) are imported into Guyana through Lethem for sale, consumption and use within the Defined Area:

- (a) Importers are not required to completed and submit Customs Declaration Forms for processing to the Customs Office in Lethem; and
- (b) Importers are required to make verbal declarations to the Customs Officers at the Customs Office in Lethem;
- (c) The Customs Office will keep records of the importer's name, address, Taxpayer Identification Number (TIN), if available, types of goods imported, and quantities of goods imported.

(2) Goods Imported into Guyana at Lethem for sale, consumption and use outside of the 'Defined Area'

Where goods are imported into Guyana through Lethem for sale, consumption and use outside of the Defined Area:

- (a) Importers are required to complete and submit Customs Declaration Form (C72) to the Customs Office in Lethem

3) Goods not exempted from payment of applicable Customs Duty, VAT, Excise Tax and Environmental Tax

When the following goods are imported into Guyana through Lethem for sale, consumption and use within or outside of the Defined Area, importers are required to complete and submit Customs Declaration Forms (C72) to the Customs Office for processing, in order to facilitate payment of applicable Customs Duty, VAT, Excise Tax, and Environmental Tax.