

GUYANA REVENUE
AUTHORITY



VAT & CAPITAL EQUIPMENT

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Zero-Rated Construction Supplies

INTRODUCTION

In accordance with **Schedule 1, Paragraph 8 of the Value-Added Tax Act, Chapter 81:05** the following construction supplies are Zero-rated:

- a supply of locally produced sand including loam and similar materials, asphalt, concrete blocks, plywood, logs and lumber of a type and quality used in construction and housing;
- a supply of regionally produced stone for the purpose of construction and housing; and boulders for the purpose of construction of sea defence
- a supply of locally produced pre-stressed concrete piles
- a supply of locally fabricated and manufactured steel beams for building and construction;
- a supply of locally manufactured roofing and PVC product
- a supply of spars, palings, staves, shingles and wattles
- a supply of building cement
- a supply of cement board
- a supply of sheet rock

Customs Duties & VAT on Capital Equipment | Machinery

Schedule 1, Paragraph 9 of the Value-Added Tax Act, Chapter 81:05 states that, “Zero-rated for the purposes of section 17 are supplies of capital equipment and machinery used in the mining, forestry, agriculture, construction and manufacturing industries.”

Additionally, a miner, forester, agriculturist, contractor (construction) and manufacturer who wishes to benefit from zero rating of capital equipment and machinery, must make an application through a Registered Customshouse Broker to the Commissioner-General through the Automated System for Customs Data (ASYCUDA).

Schedule 1 of the Common External Tariff, Custom Act Chapter 82:01 outlines the Customs Duty applicable to goods imported into Guyana.



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“Zero-rated for the purposes of section 17 are supplies of capital equipment and machinery used in the mining, forestry, agriculture, construction and manufacturing industries.”

Construction Supplies Exempt from VAT

Schedule II, Paragraph 2 (d) of the Value-Added Tax Act, Chapter 81:05 states that,

“ the following supplies are specified as exempt supplies for the purposes of section 18 –

- d) a supply of–
 - i.) accommodation in a residential dwelling; or
 - ii.) leasehold land by way of lease (not being a grant or sale of the lease of that land) to the extent that the subject land is used or is to be used for the principal purpose of accommodation in a residential dwelling erected or to be erected on that land”

Schedule II, Paragraph 4 (h) & (k) of the Value-Added Tax Act, Chapter 81:05 exempt the following:

- h) new motor trucks of any tonnage used for the transport of goods;
- k) safety equipment, to the satisfaction of the Commissioner-General”

Schedule II, Paragraph 6 of the Value-Added Tax Act, Chapter 81:05 states that, “exempted for section 18 are

a) a supply of machinery and equipment for obtaining, generating and utilizing electricity from renewable energy sources, including solar panels, solar lamps, deep-cycle batteries, solar generators, solar cookers, solar water heaters, (DC) solar refrigerators, direct current (DC) solar freezers, direct current (DC) solar air-conditioners, power inverters, water turbines, wind turbines, energy efficient lighting, including compact fluorescent lamps and light emitting diode (LED) lamps; and

b) a supply of items including machinery and equipment for utilizing alternate energy technologies, renewable energy options such as gasifiers to use biomass, and harnessing renewable energy through wind, solar and water, as determined by the Commissioner.

Schedule II, Paragraph 14 of the Value-Added Tax Act, Chapter 81:05 states that, “Exempt for the purposes of section 18 are complete housing units or residential properties built by or on behalf of the Central Housing and Planning Authority or any other approved entity.”

Rates of Customs Duty on Construction Materials

In accordance with **Schedule 1 of the Common External Tariff, Custom Act Chapter 82:01** the following rates of Customs Duty will apply to Construction Materials:

TARIFF HEADING	DESCRIPTION OF GOODS	RATE OF DUTY (%)	VALUE ADDED TAX (%)
3201	Tanning extracts of vegetable origin; tannins and their salts, ethers, esters and other derivatives.		
3201.20	• Wattle extract	5	0
4404	Hoopwood; split poles; piles, pickets and stakes of wood, pointed but not sawn lengthwise; wooden sticks, roughly trimmed but not turned, bent or otherwise worked, suitable for the manufacture of walking-sticks, umbrellas, tool handles or the like; chipwood and the like.		
4404.20.10	• Split poles, piles, pickets, stakes and sticks, of greenheart	15	0
4418	Builders' joinery and carpentry of wood, including cellular wood panels, assembled flooring panels, shingles and shakes.		
4418.50	• Shingles	15	0
2516	Granite, porphyry, basalt, sandstone and other monumental or building stone, whether or not roughly trimmed or merely cut, by sawing or otherwise, into blocks or slabs of a rectangular (including square) shape.		

Rates of Customs Duty on Construction Materials

In accordance with **Schedule 1 of the Common External Tariff, Custom Act Chapter 82:01** the following rates of Customs Duty will apply to Construction Materials:

TARIFF HEADING	DESCRIPTION OF GOODS	RATE OF DUTY (%)	VALUE ADDED TAX (%)
2516.90.00.10	<ul style="list-style-type: none"> Boulders for the purpose of construction of sea defence 	5	0
2517	<p>Pebbles, gravel, broken or crushed stone, of a kind commonly used for concrete aggregates, for road metalling or for railway or other ballast, shingle and flint, whether or not heat-treated; macadam of slag, dross or similar industrial waste, whether or not incotporating the materials cited in the first part of the heading; tarred macadam; granules, chippings and powder of stones of heading 25.15 or 25.16, wether or not heated- treated.</p>		
2517.10	<ul style="list-style-type: none"> Pebbles, gravel, broken or crushed stone, of a kind commonly used for concrete aggregates, for road metalling or for railway or other ballast, shingle and flint, whether or not heat-treated; (Only crushed stone will be zero-rated from VAT once a CARICOM Certificate is produced and verified. This allowance is valid until June 2021. Ordered by the Commissioner-General.) 	5	0
25.23	<ul style="list-style-type: none"> Portland cement, aluminous cement, slag cement, supersulphate cement and similar hydraulic cements, whether or not coloured or in the form of clinkers. 		

Rates of Customs Duty on Construction Materials

In accordance with **Schedule 1 of the Common External Tariff, Custom Act Chapter 82:01** the following rates of Customs Duty will apply to Construction Materials:

TARIFF HEADING	DESCRIPTION OF GOODS	RATE OF DUTY (%)	VALUE ADDED TAX (%)
	<ul style="list-style-type: none"> Portland cement: 		
2523.21	<ul style="list-style-type: none"> White cement, whether or not artificially coloured 	5	0
2523.29	<ul style="list-style-type: none"> Other: 		
2523.29.10	<ul style="list-style-type: none"> Building cement (grey) 	5	0
2523.29.20	<ul style="list-style-type: none"> Oilwell cement 	5	0
2523.29.90	<ul style="list-style-type: none"> Other 	5	0
2523.30	<ul style="list-style-type: none"> Aluminous cement 	5	0
2523.90	<ul style="list-style-type: none"> Other hydraulic cements 	5	0

Rates of Customs Duty on Construction Materials

In accordance with **Schedule 1 of the Common External Tariff, Custom Act Chapter 82:01** the following rates of Customs Duty will apply to Construction Materials:

TARIFF HEADING	DESCRIPTION OF GOODS	RATE OF DUTY (%)	VALUE ADDED TAX (%)
6808.00	Panels, boards, tiles, blocks and similar articles of vegetable fibre, of straw or of shavings, chips, particles, sawdust or other waste, of wood, agglomerated with cement, plaster or other mineral binders.		
6808.00.00.10	• Cement board	15	0
68.09	Articles of plaster or of compositions based on plaster.		
6809.11.00.10	• Sheet rock	15	0
68.11	Articles of asbestos-cement, of cellulose fibre-cement or the like.		
6811.82.00.10	• Cement board	5	0

Schedule of Customs Duties & VAT on Capital Equipment | Machinery

Hereunder is a schedule of Customs Duty and VAT applicable on capital equipment and machinery used in the construction industries:

TARIFF HEADING	DESCRIPTION OF GOODS	RATE OF DUTY (%)	VALUE ADDED TAX (%)
84.29	Self-propelled bulldozers, angel dozers, graders, levellers, scrapers, mechanical shovels, excavators, shovel loaders, tamping machines and road rollers.		
	• Bulldozers and angledozers :		
8429.11	• Track laying	Free	0
8429.19	• Other	Free	0
8429.20	• Graders and levellers	Free	0
8429.30	• Scrapers	Free	0
8429.40	• Tamping machines and road rollers:		
8429.40.10	• Tamping machines	Free	0
8429.40.20	• Road rollers	Free	0

Schedule of Customs Duties & VAT on Capital Equipment | Machinery

TARIFF HEADING	DESCRIPTION OF GOODS	RATE OF DUTY (%)	VALUE ADDED TAX (%)
	Mechanical shovels, excavators and shovel loaders:		
8429.51	• Front-end shovel loaders	Free	0
8429.52	• Machinery with a 360° revolving superstructure	Free	0
8429.59	• Other	Free	0
8430	Other moving, grading, levelling, scraping, excavating, tamping, compacting, extracting or boring machinery, for earth, minerals or ores; pile-drivers and pile-extractors; snow-ploughs and snow-blowers.		
8430.10	• Pile-drivers and pile-extractors	Free	0
8430.20	• Snow -ploughs and snow-blowers	Free	0
	• Other machinery not self-propelled:		
8430.61	• Tamping or compacting machinery	Free	0
8430.69	• Other	Free	0



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