

**Antigua and Barbuda Sales Tax (ABST)  
Refund Guide (2006)**



**Government of  
Antigua and Barbuda  
Inland Revenue Department**

## **CONTENTS**

	<u>Page No.</u>
INTRODUCTION	3
Part I                      Persons Entitled to an ABST Refund	4
Part II                      How to request your ABST refund	5
Part III                     Completing the ABST refund forms	7
Part IV                     Processing the ABST Application for Refund	13
Appendix I                Table to keep track of excess credits for six months	14

## **Introduction**

This guide will assist you to understand who is entitled to receive an ABST refund, how to apply for an ABST refund, and the process used by the Inland Revenue Department to issue the ABST refund.

Please note that this guide is not a substitute for the Antigua and Barbuda Sales Tax Act and its Regulations, and in the case of an inadvertent conflict, the Act and its Regulations will prevail.

If after reading this ABST Refund Guide, you need more information about refunds, please contact:

The Inland Revenue Department:  
Newgate Street  
St-John's

Telephone numbers: 462-4142/3 or 462-0396,462-8920

Fax number: 462-3175

Email address: [ABSTINFO@Gmail.com](mailto:ABSTINFO@Gmail.com)

## **PART I**

### **PERSONS ENTITLED TO AN ABST REFUND**

#### **A. REGISTERED TAXPAYERS CONDUCTING BUSINESS**

As a registered taxpayer, you will be filing ABST returns showing the amounts of output tax and input tax related to your business activities for the month. Output tax means the amount of ABST that you have charged your customers and input tax means the amount of ABST that you have paid to your suppliers on local taxable supplies and to the Comptroller of Customs on imported goods.

In your case, there are two situations where you may file a claim for an ABST refund:

1. If you normally pay ABST monthly but, you generated an excess of input tax in one period, **and** over **six consecutive months** you have not liquidated that excess of input tax, **and** the amount remaining from the initial tax period **exceeds EC \$100.00**
2. If you normally are in a situation of not paying ABST because your input tax deductions are **always** larger than your output tax payable, **and** the amount **exceeds EC \$100.00**, you may claim a refund if your turnover or predicted turnover from supplies made or to be made during the period of twelve calendar months consisting of the current month, the previous five months, and the following six calendar months —
  - (i) 50 per cent or more of your turnover is from supplies that are zero-rated exports; or
  - (ii) 50 per cent or more of your expenditure on inputs is from acquisitions or imports that relate to making supplies that are zero-rated exports

#### **B. PUBLIC INTERNATIONAL ORGANIZATIONS, FOREIGN GOVERNMENTS, OR ANY OTHER PERSONS IF PROVIDED FOR UNDER AN INTERNATIONAL AGREEMENT**

Public international organizations, foreign governments and other approved persons may be entitled to apply for a refund of ABST paid on their purchases (refer to section 44 of the ABST Act). The ABST Act exempts a number of persons from paying ABST on their imports (refer to Schedule 5 points 10 and 11). In these cases, persons will be exempt from ABST on their imports but will be required to pay ABST on domestic purchases and then request an ABST refund.

The procedures for compiling data and completing the application(s) related to these refunds are explained in Parts II and III of this guide.

## **PART II**

### **HOW TO REQUEST YOUR ABST REFUND?**

#### **A. REGISTERED TAXPAYERS CONDUCTING BUSINESS**

In Part I of this guide, there were two situations described where a refund of ABST may be claimed.

1. The first situation is where a taxpayer occasionally has an excess credit carried forward for a continuous period of more than six tax periods. Usually this will be caused by a significant purchase of capital or stock or a sharp decline in sales.

Once you have carried forward the credit for six consecutive months, you have the option of continuing to carry forward the credit or to submit a claim for a refund. If you wish to claim a refund, you will need to complete form ABST 004 “Application for Refund – Registered Taxpayers”. Part III provides instructions for completing this form.

**You will need to keep track of when you are entitled to the refund and how much you are entitled to. The Inland Revenue Department has developed a table to help you keep track of this situation (refer to Annex I for more information). If you need any assistance to maintain this table, please contact the Inland Revenue Department.**

2. Registered taxpayers that have 50% or more of their turnover from supplies that are zero-rated are entitled to claim a refund. For example, if in March 06 a business in this category generated \$100,000 of excess input tax deductions, they could claim that amount as a refund in April 06. Generally, companies in this category will be claiming refunds monthly.

You will need to complete form ABST 004 – refer to Part III for instructions on how to complete this form.

#### **B. PUBLIC INTERNATIONAL ORGANIZATIONS, FOREIGN GOVERNMENTS, OR ANY OTHER PERSONS IF PROVIDED FOR UNDER AN INTERNATIONAL AGREEMENT**

The second situation where a refund may be requested applies to public international organizations, foreign governments and any other persons if provided for under an international agreement. The ABST Act exempts a number of persons from paying ABST on their imports (refer to Schedule 5 points 10 and 11). In these cases, persons will be exempt from ABST on their imports but will be required to pay ABST on domestic purchases and then request an ABST refund

These persons must keep all their invoices and receipts showing the ABST they have paid on their purchases. To facilitate keeping these records, form ABST 005 “Schedule of Purchases” should be completed. This form can be obtained from the Inland Revenue Department. A sample of this schedule is shown in Part III of this guide.

Once the schedule is complete, the person will need to submit a claim to obtain their ABST refund. The claimant will need to complete form ABST 005 “Application for Refund” and submit it to the Inland Revenue Department.

Details for completing these application forms are set out in the next part of this guide (Part III).

## **PART III**

### **COMPLETING THE ABST REFUND FORMS**

#### **HOW DO YOU OBTAIN THE ABST APPLICATION FOR REFUND FORMS?**

The ABST Application for Refund Forms are available at the Inland Revenue Department located on Newgate Street in St. John's or from the government website [www.ab.gov.ag](http://www.ab.gov.ag).

#### **WHAT IS THE FORMAT OF THE ABST APPLICATION FOR REFUND?**

The ABST 004 “Application for Refund – Registered Taxpayers” is to be used by registered persons who have carried forward their excess credits for six consecutive months. The ABST 005 “Application for Refund” is to be used for all other refunds claims (e.g. diplomatic missions, international organizations).

The forms are simple one page forms.

**Samples of the ABST 004 “Application for Refund – Registered Taxpayers”, ABST 005 “Application for Refund”, as well as the Form ABST 006 “Schedule of Purchases” are shown on the next three pages**

**Following the sample forms are directions for completing the forms**



Form ABST004 – October 10, 2006

**ANTIGUA AND BARBUDA  
INLAND REVENUE DEPARTMENT**

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**ANTIGUA AND BARBUDA SALES TAX  
APPLICATION FOR REFUND**  
*(for Use By Registered Persons)*

1. Name of Taxpayer <input type="text"/>	2. Trade Name <input type="text"/>
3. Address (of business) <input type="text"/> <input type="text"/> <input type="text"/>	4. Mailing Address <input type="text"/> <input type="text"/> <input type="text"/>
5. Telephone Number <input type="text"/>	6. Fax Number <input type="text"/>
7. Email Address <input type="text"/>	8. Taxpayer Identification Number <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>
9. Amount of Refund Claimed <input type="text"/>	10. Period in which excess input tax occurred <input type="text"/>

**DECLARATION**

I  hereby declare that the information given on this application form is true, correct and complete and that no application for refund in respect of this Tax Period, Customs Declaration, or Receipt has been previously submitted

Signature	Title	Date
<input type="text"/>	<input type="text"/>	<input type="text"/> <input type="text"/> <input type="text"/>
		<small>Day Month Year</small>

**IT IS A SERIOUS OFFENCE TO MAKE A FALSE DECLARATION**

**FOR INLAND REVENUE DEPARTMENT USE ONLY**

Application Received <input type="text"/> <input type="text"/> <input type="text"/> <small>Day Month Year</small>	Accepted <input type="checkbox"/>	Rejected <input type="checkbox"/>	Selected for Audit <input type="checkbox"/>	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>
Reason for rejection <input type="text"/>				
Application approved by (please sign) <input type="text"/>	Processed by (please sign) <input type="text"/>	Refund Cheque Issued <input type="text"/> <input type="text"/> <input type="text"/> <small>Day Month Year</small>	Cheque Number <input type="text"/>	

**NOTES**

1. Claims under EC\$100 will not be refunded, but carried forward to the next succeeding Tax Period as an Input Tax deduction.
2. To speed your refund processing, it is recommended to submit this form to the Commissioner of the Inland Revenue Department along with ABST Return for the Tax Period in which your claim is being made.





Form ABST005 – April 4, 2006

**ANTIGUA AND BARBUDA  
INLAND REVENUE DEPARTMENT  
ANTIGUA AND BARBUDA SALES TAX  
APPLICATION FOR REFUND**

(FOR USE BY ANY DIPLOMATIC MISSION, PUBLIC INTERNATIONAL ORGANIZATION, FOREIGN GOVERNMENT, OR ANY OTHER PERSON IF PROVIDED FOR UNDER AN INTERNATIONAL AGREEMENT AND TAXPAYERS WHO HAVE OVERPAID ABST)

Full name of applicant <input style="width:95%;" type="text"/> Telephone Number(s) <input style="width:95%;" type="text"/> <input style="width:15%;" type="text"/> Fax Number(s) <input style="width:95%;" type="text"/> <input style="width:15%;" type="text"/>	Taxpayer Identification Number <input style="width:100%;" type="text"/> Address <input style="width:95%;" type="text"/> <input style="width:95%;" type="text"/> Email Address <input style="width:95%;" type="text"/>
Period of Claim From <input style="width:40%;" type="text"/> To <input style="width:40%;" type="text"/>	
<b>DETAILS OF CLAIM</b>	
Total value of goods and or services (inclusive of ABST)	<input style="width:50%;" type="text"/>
ABST charged	<input style="width:50%;" type="text"/>
ABST claimed	<input style="width:50%;" type="text"/>
Customs Declaration or Receipt Number (if ABST. was overpaid)	<input style="width:50%;" type="text"/>

**DECLARATION**

Tick as appropriate: 1 = Diplomats; 2 = Diplomatic or Consular Missions; 3 = Other persons if covered by an international agreement, 4 = Persons who have overpaid ABST

1  I declare that the articles acquired and / or services performed which form part of this application for refund were **exclusively for my personal use** and that no other application for refund of tax has been previously submitted

2  I declare that the taxable supplies acquired which form part of this application for refund were **exclusively for use in connection with the work** of the Diplomatic or Consular Mission and that no other application for refund of tax has been previously submitted

3  I declare that the taxable supplies which form part of this application for refund were exclusively for use by (insert name of international organization, foreign government, or person)  and that no other application for refund of tax has been previously submitted

4  I declare that the ABST paid on the articles acquired and/or services performed was overpaid and that no other application for refund of tax has been previously submitted

<input style="width:95%;" type="text"/>	<input style="width:95%;" type="text"/>	<input style="width:95%;" type="text"/>
Name	Organization	Title
<input style="width:95%;" type="text"/>	<input style="width:95%;" type="text"/>	<input style="width:95%;" type="text"/>
Signature		Date
<input style="width:95%;" type="text"/>		<input style="width:30px;" type="text"/> <input style="width:30px;" type="text"/> <input style="width:30px;" type="text"/>
		<small>Day Month Year</small>

**FOR INLAND REVENUE DEPARTMENT USE ONLY**

Received <input style="width:30px;" type="text"/> <input style="width:30px;" type="text"/> <input style="width:30px;" type="text"/> <small>Day Month Year</small>	Approved by (please sign) <input style="width:150px;" type="text"/>	Position <input style="width:150px;" type="text"/>	Date Cheque Issued <input style="width:30px;" type="text"/> <input style="width:30px;" type="text"/> <input style="width:30px;" type="text"/> <small>Day Month Year</small>
Amount approved <input style="width:60px;" type="text"/>	Cheque number <input style="width:60px;" type="text"/>	Document number <input style="width:100px;" type="text"/>	Taxpayer Number <input style="width:100px;" type="text"/>
Notes <input style="width:95%;" type="text"/> <input style="width:95%;" type="text"/> <input style="width:95%;" type="text"/>			

**NOTES REGARDING APPLICATION FOR REFUNDS**

1. A prescribed schedule of purchases accompanied by original receipts must be attached to each application
2. The amount (of the refund) applied for must be the amount of the tax shown on the receipt from the supplier or, in the case of taxpayers who overpaid ABST, of the difference between the paid and the correct amount of ABST to be paid.



**ANTIGUA AND BARBUDA  
INLAND REVENUE DEPARTMENT**

**ANTIGUA AND BARBUDA SALES TAX  
SCHEDULE OF PURCHASES**

(TO ACCOMPANY APPLICATION FOR REFUND –Form ABST 005)

Date	Tin	Name Of Supplier	Invoice #	Description of Item	ABST Inclusive Price	ABST Charged
Total						

**PLEASE COMPLETE EACH SECTION OF THE FORM ABST 004 “Application for Refund – Registered Taxpayers” YOU OBTAIN FROM INLAND REVENUE DEPARTMENT BY PRINTING OR TYPING IN BLOCK LETTERS (This form is only to be used by registered persons who have carried forward an excess credit for six consecutive months)**

***IF A SECTION OF THE FORM ABST 004 “APPLICATION FOR REFUND TAXPAYERS” DOES NOT APPLY TO YOUR CIRCUMSTANCES, ENTER N/A.***

- 1. Name of Taxpayer** Enter the name by which you or your business are registered for ABST on your registration certificate
- 2. Trade Name** Enter the trade name under which your business operates as shown on your ABST registration certificate
- 3. Address (of business)** Enter the address for your business that is shown on your ABST registration certificate
- 4. Mailing address** Enter the address at which you normally receive mail if it is different from the address of your business at line 3
- 5. Telephone Number** Enter the telephone number where you can most easily be reached
- 6. Fax Number** Enter the fax number at which you may be contacted
- 7. Email Address** Enter the email address at which you may be contacted
- 8. Taxpayer Identification Number** Enter your Taxpayer Identification Number as it appears on your ABST registration certificate
- 9. Amount of Refund Claimed** Enter the amount of refund that you are claiming at this time

**DECLARATION** Complete the declaration in the middle block of the claim for refund by printing your name in the statement, signing your name in the signature block, entering your title in the business in the title block and the date of the claim in the date block

**PLEASE COMPLETE EACH SECTION OF THE FORM ABST 005  
“Application for Refund”**

*IF A SECTION OF THE **FORM ABST 005 “APPLICATION FOR REFUND”** DOES NOT APPLY TO YOUR CIRCUMSTANCES, ENTER N/A.*

- Taxpayer Identification Number** Enter your TIN. If you do not have a TIN then contact the Inland Revenue Department.
- Full Name of Applicant** Enter the name of your diplomatic mission, international organization, or foreign government. If an other type of person, then enter your business name or name
- Address** Enter the address at which you or the mission normally receives mail
- Telephone Number** Enter the telephone number where you can most easily be reached
- Fax Number** Enter the fax number at which you may be contacted
- Email Address(es)** Enter the email address(es) at which you may be contacted
- Period of Claim** Enter the first date shown on your Form ABST 006 “Schedule of Purchases” in the first (“From”) block and the last date shown on your Form ABST 006 “Schedule of Purchases” in the last (“To”) block
- Total value of goods and/or services (inclusive of ABST) ABST Charged** Enter the total of the “ABST INCLUSIVE PRICE” column from your Form ABST 006 “Schedule of Purchases”  
Enter the total of the “ABST CHARGED” column from your Form ABST 006 “Schedule of Purchases”. Please note that you should attach the original receipts listed on Form ABST 006 to the form when it is submitted
- ABST Claimed** Enter the amount of refund that you are claiming at this time
- Customs Declaration or Receipt Number** In the case of an overpayment of ABST, enter the declaration number from the Customs Declaration Form or the serial number of the sales receipt. The original Customs Forms or sales receipt must be attached
- DECLARATION** Complete the declaration in the middle part of the form by selecting one of the three options (#1, 2, or 3). Then print your name, insert the name of the organization and your title, and sign your name in the signature block, and insert the date of the application in the date block

## **Part IV**

### **PROCESSING THE ABST REFUND**

#### **What process will be used to determine the amount to be refunded?**

Before the ABST refund is issued, the Inland Revenue Department will verify that you remain entitled to the amount. This may take a short period of time to check your records on file, or may require that an auditor visit your premises to carry out a more complete refund audit.

The Inland Revenue Department will also verify if you owe the government any other taxes that have not yet been paid. If this is the case, your refund (or a portion thereof) will be applied to those arrears to reduce the amount owing. You will be notified in writing of this use of your refund with all the pertinent details.

Any registered person who has carried forward an excess credit for six consecutive months but has failed to file an ABST return in the related six month period, will not be entitled to the ABST refund until the registered person has submitted all the missing returns.

Your ABST refund will also include interest if this is applicable.

Once the ABST refund has been approved, the Inland Revenue Department will advise you to collect your cheque.

## APPENDIX I Table to keep track of excess credits for six months

The following is a sample table you can use to keep track of your excess credits

Tax Period	Charged Output Tax	Paid Input Tax	Excess Input Tax	ABST Paid in Cash to IRD	Refund Claimed	Deductions from Credit for ABST ( <i>owing</i> ) and refund claimed	Amount of Credit Available
Aug 06							
Sept 06							
Oct 06							
Nov 06							
Dec 06							
Jan 06							
Feb 06							
March 06							
April 06							
May 06							

To give you an idea of how refunds are determined, several examples of refund situations are shown below:

The first example is where a business may be expanding their premises and are importing materials and buying other construction materials locally. These imports and purchases provide the business with a large amount of input tax deductions each month. The company is entitled to start claiming refunds at the seventh tax period and could claim a refund for each tax period's excess credit each time they reached the seventh month following the month in which the excess credit was created.

Tax Period	Charged Output Tax	Paid Input Tax	Excess Input Tax	ABST Paid in Cash to IRD	Refund Claimed	Amount of Credit Available
March 06	11,000	42,000	31,000	0		31,000
April 06	16,000	43,000	27,000	0		58,000
May 06	18,000	39,000	21,000	0		79,000
June 06	17,000	41,000	24,000	0		103,000
July 06	14,000	39,000	25,000	0		128,000
August 06	12,000	38,000	26,000	0		154,000
Sept 06	0	0	0	0	31,000	123,000

The second example is where a business was also renovating and enlarging its premises. Once the renovations were complete and additional stock was imported, the company had a renovation promotion in July 06 that generated a large amount of sales. This promotion resulted in the charging of output tax that used up the available \$99,000 credit and required a payment of \$21,000 in ABST. The business was then able to take advantage of the purchase of a large amount of stock at a low price in August 06, but sales after that were very weak.

Tax Period	Charged Output Tax	Paid Input Tax	Excess Input Tax	ABST Paid in Cash to IRD	Refund Claimed	Deductions from Credit for ABST ( <i>owing</i> ) and refund claimed	Amount of Credit Available
March 06	14,000	40,000	26,000	0	0	0	26,000
April 06	16,000	40,000	24,000	0	0	0	50,000
May 06	13,000	40,000	27,000	0	0	0	77,000
June 06	18,000	40,000	22,000	0	0	0	99,000
July 06	120,000	0	0	21,000	0	<b>(99,000)</b>	0
August 06	15,000	120,000	105,000	0	0	0	105,000
Sept 06	2,000	0	0	0	0	<b>(2,000)</b>	103,000
Oct 06	1,000	0	0	0	0	<b>(1,000)</b>	102,000
Nov 06	4,000	0	0	0	0	<b>(4,000)</b>	98,000
Dec 06	6,000	0	0	0	0	<b>(6,000)</b>	92,000
Jan 07	8,000	0	0	0	0	<b>(8,000)</b>	84,000
Feb 07	10,000	0	0	0	74,000	<b>(10,000)</b> + 74,000	0

The third example is where a company was starting up and had a major equipment purchase in its first month. Regular purchases of stock, and sales to customers started in July 2006. By the seventh tax period, the original amount of credit available (\$175,000) had been reduced to \$91,000. This happened because for the previous three months up to and including the seventh month (when the refund could be claimed), output tax exceeded input tax by a total of \$84,000 (\$26,000 + \$27,000 + \$31,000). When this occurs, the **ABST owing** (\$84,000) is deducted from the oldest credit amount available (\$175,000).

Tax Period	Charged Output Tax	Paid Input Tax	Excess Input Tax	ABST Paid in Cash to IRD	Refund Claimed	Deductions from Credit for ABST ( <i>owing</i> ) and refund claimed	Amount of Credit Available
Mar 06	0	175,000	175,000	0	0	0	175,000
Apr 06	0	0	0	0	0	0	175,000
May 06	0	0	0	0	0	0	175,000
Jun 06	0	0	0	0	0	0	175,000
Jul 06	31,000	5,000	0	0	0	<b>(26,000)</b>	149,000
Aug 06	33,000	6,000	0	0	0	<b>(27,000)</b>	122,000
Sep 06	35,000	4,000	0	0	91,000	<b>(31,000)</b> +91,000	0
Oct 06	32,000	8,000	0	24,000	0	0	0
Nov 06	34,000	7,000	0	27,000	0	0	0
Dec 06	29,000	6,000	0	23,000	0	0	0

The fourth example is where a company also made large initial investments in equipment and stock in its two first months of business. As sales to customers started in July 2006, the company was using its excess credits from the first month to “pay” the ABST owing. By the time it reached the seventh month, there was \$66,000 available from the first month (Mar 06) for refund (\$140,000 minus \$26,000 minus \$23,000 minus \$25,000 = \$66,000). The excess credit of \$35,000 that was created in the third month (May 06) was used to “pay” ABST for October (\$24,000) and November (\$11,000) before it became available for refund, so no refund could be claimed.

Tax Period	Charged Output Tax	Paid Input Tax	Excess Input Tax	ABST Paid in Cash to IRD	Refund Claimed	Deductions from Credit for ABST ( <i>owing</i> ) and refund claimed	Amount of Credit available
Mar 06	0	140,000	140,000	0	0	0	140,000
Apr 06	0	0	0	0	0	0	140,000
May 06	0	35,000	35,000	0	0	0	175,000
Jun 06	0	0	0	0	0	0	175,000
Jul 06	31,000	5,000	0	0	0	<b>(26,000)</b>	149,000
Aug 06	29,000	6,000	0	0	0	<b>(23,000)</b>	126,000
Sep 06	32,000	7,000	0	0	66,000	<b>(25,000)</b> + 66,000	35,000
Oct 06	28,000	4,000	0	0	0	<b>(24,000)</b>	11,000
Nov 06	33,000	8,000	0	14,000	0	<b>(11,000)</b>	0
Dec 06	34,000	9,000	0	25,000	0	0	0