



INLAND REVENUE DEPARTMENT

Notice to the Taxpayers

Amendment to Value Added Tax Act, No. 14 of 2002

Value Added Tax (Amendment) Act, No. 16 of 2024 has been certified on 20.03.2024 and important changes made from such (Amendment) Act to the Value Added Tax Act, No. 14 of 2002 (VAT Act) are as follows.

1. Revision of Standard VAT Rate

VAT rate on import and / or taxable supply of goods or taxable supply of services has been revised to eighteen per centum (18%) from fifteen per centum (15%) with effect from January 01, 2024 as published by the Extraordinary Gazette Notification No. 2363/22, dated December 19, 2023.

Further, VAT rate applicable on supply of financial services remain unchanged at Eighteen per centum (18%).

2. Registration Threshold

Registration for Value Added Tax (VAT) for a person whose value of taxable supply exceeds Rs.15 million for the taxable period one month /quarter or Rs.60 million per annum is applicable commencing from January 01, 2024, and accordingly those person who are not already registered are required to be registered from the date on which the (Amendment) Act comes into operation (March 20, 2024).

Commissioner General of Inland Revenue



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