

VALUE ADDED TAX (AMENDMENT) ACT, 2023

No. 7



of 2023

ARRANGEMENT OF SECTIONS

SECTION

1. Short title and commencement
- 1A. Amendment of Section 18 of Cap. 50:03
2. Amendment of First Schedule to the Act
3. Amendment of Second Schedule to the Act

An Act to amend the Value Added Tax Act.

Date of Assent: 28.04.2023

Date of Commencement: ON NOTICE

ENACTED by the Parliament of Botswana.

1. This Act may be cited as the Value Added Tax (Amendment) Act, 2023, and shall come into operation on such date as the Minister may, by Order published in the *Gazette*, appoint.

Short title and commencement

1A. The Value Added Tax Act (hereinafter referred to as “the Act”) is amended in section 18 by inserting immediately after subsection (11), the following new subsection —

Amendment of section 18 of Cap. 50:03

“(11A) Notwithstanding the provisions of sections 5 (3) and 18 (11), a person whose registration is cancelled by virtue of the exemption of medical services, shall be deemed not to have made a taxable supply of goods on hand, including capital goods and goods that were acquired before the commencement of this Act, whether or not input tax under section 20(2) was claimed.”

2. The Act, is amended under the First Schedule by —

(a) substituting for paragraph 2 (y) (ii), the following new subparagraph —

Amendment of First Schedule to the Act

“(ii) vegetables as specified under Customs Tariff Headings 0701.90, 07.02, 07.03, 07.04, 07.05, 07.06, 07.07, 07.08, 07.09, 07.10 and 0910.11.00, not cooked or treated in any manner except for the purpose of preserving such vegetables in their natural state, but excluding dehydrated, dried, canned or bottled vegetables,”;

(b) inserting immediately after paragraph 2 (y) (vii), the following new entries —

- “(viii) cooking oil as specified under Customs Tariff Heading 15.07, 15.08, 15.09, 15.10, 15.11, 15.12, 15.13, 15.14 and 15.15,
 - (ix) liquid petroleum gas as specified under Customs Tariff Heading 2711.11.00, 2711.12.00, 2711.13.10, 2711.13.90, 2711.14.00 and 2711.19.00,
 - (x) salt as specified under Customs Tariff Heading 2501.00.90,
 - (xi) infant formula as specified under Customs Tariff Heading 1901.10.00,
 - (xii) baby diapers as specified under Customs Tariff Heading 9619.00.00, and
 - (xiv) sanitary pads or tampons as specified under Customs Tariff Heading 9619.00.00.”; and
- (c) inserting immediately after paragraph 2 (y), the following new subparagraphs —
- “(z) a supply of condoms; and
 - (aa) a supply of the following agricultural implements —
 - (i) disc harrows as specified under Customs Tariff Heading 8432.21.00,
 - (ii) ploughs as specified under Customs Tariff Heading 8432.10.00,
 - (iii) scarifiers, cultivators, weeders, hoes as specified under Customs Tariff Heading 8432.29.00,
 - (iv) manure spreaders as specified under Customs Tariff Heading 8432.41.00,
 - (v) fertilizer distributors as specified under Customs Tariff Heading 8432.42.00,
 - (vi) rotavators as specified under Customs Tariff Heading 8432.29.00,
 - (vii) rippers as specified under Customs Tariff Heading 8432.29.00,
 - (viii) cutter bars for tractor mounting as specified under Customs Tariff Heading 8433.20.00,
 - (ix) hay making machine as specified under Customs Tariff Heading 8433.30.00,
 - (x) straw or fodder balers and pick up balers as specified under Customs Tariff Heading 8433.40.00,
 - (xi) combine harvesters as specified under Customs Tariff Heading 8433.51.00,
 - (xii) threshing machinery as specified under Customs Tariff Heading 8433.52.00,
 - (xiii) root or tuber harvesting machinery as specified under Customs Tariff Heading 8433.53.00,
 - (xiv) forage harvester as specified under Customs Tariff Heading 8433.59.00,
 - (xv) tractors of an engine power not exceeding 18kW as specified under Customs Tariff Heading 8701.91.00,

- (xvi) tractors of an engine power exceeding 18 kW but not exceeding 37 kW as specified under Customs Tariff Heading 8701.92.00,
- (xvii) tractors of an engine power exceeding 37 kW but not exceeding 75 kW as specified under Customs Tariff Heading 8701.93.00,
- (xviii) tractors of an engine power exceeding 75 kW but not exceeding 130 kW as specified under Customs Tariff Heading 8701.94.00,
- (xix) tractors of an engine power exceeding 130 kW as specified under Customs Tariff Heading 8701.95.00, and
- (xx) trailers as specified under Customs Tariff Heading 8716.40.00.”.

3. The Second Schedule to the Act is amended —

- (a) in paragraph 1 by deleting the definition of “public medical facility”;
- (b) under paragraph 2 by substituting for subparagraph (b), the following new subparagraph —

Cap. 63:04 “(b) a supply of prescription drugs specified under Schedules 1, 2 and 3 of the Medicines and Related Substances Act, and a supply of medical services by a person in the ordinary course of operating a medical facility, including a hospital, maternity home, nursing home, convalescent home, hospice or clinic;” and

- (c) by deleting subparagraphs (i), (k) and (l).

Amendment of
Second
Schedule to
the Act

PASSED by the National Assembly this 14th day of April, 2023.

BARBARAN. DITHAPO,
Clerk of the National Assembly.