

April 2013

Circular to the Industry

Re: Exemption of VAT on levies

Kindly note that monthly levy contributions to Bargaining Council have now been classified as exempt supplies for VAT purposes. This follows the recent insertion of section 12 (l) to the VAT Act, No. 89 of 1991 (as amended).

Thus with effect from 21 April 2013, no VAT is payable on levy contributions for all monthly returns calculated online. Any future levy contributions payable to Council should be paid without VAT. As a registered VAT vendor, you will also not be able to claim any input VAT.

Should you need any clarity or further details on this, please forward written correspondence via email to vatqueries@nbcrcfi.co.za

Yours sincerely,



Alick Kapeza

Chief Financial Officer