



FG INSURANCE AGENTS & BROKERS

VALUE ADDED TAX (V.A.T.)

GENERAL INSURANCE IMPLEMENTATION - JULY 1, 2015

Dear Valued Client:

Effective 1st July, 2015, The Government of The Bahamas will introduce Value Added Tax (VAT) on all medical and general insurance premiums. Subsequently and in compliance with this legislation we kindly wish to remind you that the applicable Value Added Tax (VAT) charge will be reflected on all related premiums from 1st July, 2015 forward.

If you require additional information, please do not hesitate to contact us.

FREQUENTLY ASKED QUESTIONS FAQs

Will VAT be charged on all General Insurance Products?

Yes, VAT will be charged on all General Insurance Products.

When will the VAT implementation begin on General Insurance Products?

VAT on General Insurance Products will become effective as of July 1, 2015.

How will I identify the amount of VAT I have paid on my Insurance Policy?

The VAT amount that you have paid will be clearly outlined on your Policy Schedule so that you will be able to identify the premium from the VAT charges.

If my Policy is renewed before the Value Added Tax (VAT) implementation date of July 1, 2015, would I still have to pay the Value Added Tax during that Policy year?

No, if your Policy comes due for renewal during January 1 – June 30 2015, you will not be required to pay VAT for this renewal period. All invoices for policies renewing before July 1st, 2015 will not incur VAT for the entire renewal period. However, subsequent changes that include contract changes, endorsements, amendments or premium adjustments to these invoices after July 1st, 2015 will incur the corresponding charges for VAT.