

BULLETIN

BUSINESS LICENCE REMINDERS

As the New Year approaches, business licence holders are reminded of the following important deadlines for 2016:-

- An application for renewal of your business licence must be filed by January 31;
- Financial results must be filed with the Department of Inland Revenue (IRD) by January 31;
- Business licence fees must be paid by March 31; and
- If your business has ceased its operations, the IRD must be notified by January 31.

Effective July 1, 2015 the Business Licence Act was amended to impose penalties for late filings and late payment of fees.

Every holder of a business licence is required to submit an application for renewal of their business licence, along with all supporting approvals, and financial results on or before January 31 of each year. The penalty for failing to make this filing by the deadline is \$100.

All business licence applications (both new and renewals) must be filed using the Government's Online Tax Administration System, which can be found at <https://vat.revenue.gov.bs/>.

Although the business licence application process has migrated to the online system, the supporting approvals that

formerly accompanied over-the-counter applications must still be obtained and uploaded to the system. These supporting approvals include (i) an approval from the Department of Environmental Health Services, (ii) a Letter of No Objection from the National Insurance Board, (iii) an approval letter from the Royal Bahamas Police Force (where the business is licenced to sell alcohol), (iv) certificate of good standing from the Companies Registry (where the business is operated by a corporate entity), and (v) any industry specific licences, approvals or good standings.

All business licence holders are required to pay business licence fees on or before March 31 of each year. The penalty for late payment is 10% of the fees payable.

Where a business was in operation during any year but has ceased operations before January 31, business licence fees are payable on the turnover generated by the business during the portion of the year when it was operating. There is a penalty of \$100 for failing to notify the IRD of the inactivation or cessation of a business by January 31 of the following year.

We are available to assist and to answer any questions you may have regarding your business licence application.

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