



INLAND REVENUE DEPARTMENT

Notice to VAT Registered Persons

Change of Value Added Tax (VAT) Rate

As per the Extraordinary Gazette Notification No. 2363/22 dated December 19, 2023, published under section 2A of the Value Added Tax Act No. 14 of 2002, VAT rate has been revised with effect from **January 01, 2024** as set out below.

Description	VAT Rate
(a) Import of goods (Fabrics) Import of fabrics set out in the H.S. Code and description specified in Column I and II of Schedule of the Extraordinary Gazette Notification No. 2095/20 dated November 1, 2018	Zero per centum (0%)
(b) Standard Rate Import and/or supply of goods or supply of services, other than import of goods as referred to under above paragraph [paragraph (a)]	Eighteen per centum (18%)

Any advance payment making prior to 01.01.2024 in respect of goods or services receivable on or after 01.01.2024 is chargeable to VAT at 15%.

Further, VAT Rate applicable on **supply of financial services** remains unchanged at **Eighteen per centum (18%)**

Commissioner General of Inland Revenue



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