



July 2019

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ANGOLA

VALUE ADDED TAX

VAT's ENTRY INTO FORCE IN ANGOLA POSTPONED

The Value Added Tax's ("VAT") entry into force scheduled for 1 July was pushed back to October, as a result of the discussions held between the Government and the GTE (Business Technical Group), which advocated implementing the VAT only in January 2020.

The postponement requires a new General Tax Administration ("AGT") and GTE timetable to become final.

The discussions between the Government and the social partners led to further recommendations, namely: (i) reduce the 7% VAT rate for taxpayers subject to the transitional regime; (ii) assess if VAT should be implemented in the context of education and teaching, particularly in the private sector, (iii) deduct at least 2% of the value of the stocks in the net amount of the Industrial Tax.

The postponement results from the companies' lack of conditions to implement the systems, including producers of certified invoicing software.

The postponement further seeks to address pending crucial issues for the proper implementation of VAT, namely (i) the completion of computer invoicing programs (by software companies) based on the AGT's response; (ii) the AGT's validation of the invoicing programs; (iii) the AGT's validation of the maximum number of registration update requests that can be submitted by companies awaiting the transition from the Transitional Regime to the General Regime, in order to reduce the impact of the increase in prices.

APPROVAL OF TAX FORMS

Executive Decree 134/19 was also published, which approved the forms that must be completed to declare the start-up, change and termination of business; the periodic VAT return and its annexes, the VAT return for the transitional regime, the VAT refund form, the suppliers' map and the form to request the settlement of bad debts and non-performing loans. The General Tax Administration ("AGT") has already provided most of these forms on its Portal.

VdA Legal Partners promotes a set of initiatives to disseminate, clarify and prepare for the implementation of the new tax from February 2019. If you are interested, [please contact us here](#).