



MINISTRY OF FINANCE AND ECONOMIC MANAGEMENT
GOVERNMENT OF THE COOK ISLANDS

To: Public Consultation
From: Fraser Hawkins, Senior Tax Advisor, Revenue Management Division (“RMD”)
Subject: Proposed legislative change to VAT filing frequency
Date: 21 May 2018

Proposed Legislative Change Filing Frequency of VAT Returns

1. RMD is considering a proposal for legislative change to the monthly filing of VAT returns provided for in section 15 of the Value Added Tax Act 1997, and is seeking public consultation and feedback on the issue by 22 June 2018.
2. The proposed legislation would change the current requirement to file monthly VAT returns to the filing of VAT returns either quarterly or six monthly for VAT registered taxpayers with an annual turnover of \$300,000 or less. VAT registered taxpayers that have an annual turnover exceeding \$300,000 will still be required to file monthly VAT returns.
3. The Cook Islands has a large number of small to medium size VAT registered entities and individuals, resulting in a high volume of monthly VAT returns needing to be filed and processed. The focus of the proposed legislative change in VAT filing frequency is to reduce taxpayer compliance costs by reducing the number of VAT returns that are required to be filed. In turn it will also reduce the tax administration costs to the Ministry of Finance and Economic Management from managing the current volume of VAT returns received.
4. Please email feedback in writing to Mr. Fraser Hawkins at fraser.hawkins@cookislands.gov.ck by 22 June 2018. Submissions after this date will not be considered.

Fraser Hawkins
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