

ITEM 2(ea) OF THE FIFTH SCHEDULE TO THE VALUE ADDED TAX ACT

- (1) ECONOMIC OPERATORS ARE HEREBY INFORMED THAT “PRIMARY AGRICULTURAL **AND HORTICULTURAL PRODUCE** (INCLUDING TOMATOES, POTATOES, ONIONS AND OTHER VEGETABLES, FRUITS, COFFEE, COCOA BEANS AND NUTS) **WHICH HAVE NOT BEEN PROCESSED**, EXCEPT FOR REAPING, THRESHING, HUSKING, CRUSHING, WINNOWING, TRIMMING, DRYING AND PACKAGING, TO PUT THEM INTO MARKETABLE CONDITION” UNDER ITEM 2(ea) OF THE FIFTH SCHEDULE TO THE VALUE ADDED TAX ACT ATTRACT VAT AT ZERO-RATE.
- (2) KINDLY NOTE THAT THE HS CODES IN ANNEX I RELATES TO PROCESSED HORTICULTURAL PRODUCE AS PER THE INTEGRATED TARIFF AND THE PROCESSED HORTICULTURAL PRODUCE ATTRACTS VAT AT THE RATE OF 15%.
- (3) FOR THE PROPER IMPLEMENTATION OF ITEM 2(ea) OF THE FIFTH SCHEDULE TO THE VAT ACT, THE FOLLOWING CUSTOMS PROCEDURE CODE (CPC) HAS BEEN CREATED FOR THE IMPORTATION FOR HOME CONSUMPTION OF PRIMARY HORTICULTURAL PRODUCE, **WHICH HAVE NOT BEEN PROCESSED**, AS PER ANNEX I -

TABLE

S/N	CPC	DESCRIPTION
1	40PHP	DIRECT IMPORT FOR HOME CONSUMPTION OF PRIMARY HORTICULTURAL PRODUCE <u>WHICH HAVE NOT BEEN PROCESSED</u> – VAT AT ZERO-RATE

THE ABOVE CPC SHALL COME INTO OPERATION ON **8 SEPTEMBER 2022**.

- (4) CONSEQUENTLY, CUSTOMS PROCEDURE CODE (CPC) 40FLW SHALL NO LONGER BE EFFECTIVE AS FROM **8 SEPTEMBER 2022**.

YOU ARE ADVISED TO LIAISE WITH MNS FOR UPDATE OF YOUR FRONT END SYSTEM.

FOR FURTHER INFORMATION AND ASSISTANCE YOU MAY CONTACT MRA CUSTOMS ON 202 0500 OR 637 9700.