



FAIRCITY HOTELS

SERVICE BY DESIGN

WHAT ABOUT THE VAT?

Dear Valued Faircity client

On 21 February 2018 the Minister of Finance announced the value-added tax (VAT) rate increase in his budget. Effective from 1 April 2018, the standard rate of VAT will change from 14% to 15%. This means that from 1 April 2018, all taxable goods or services supplied by vendors, goods imported, as well as certain services supplied by non-residents to residents for non-taxable or private use (imported services), are subject to the VAT rate of 15%.

Faircity Hotels will be treating the increase as follows:

- All reservations and conferences confirmed by contract and in place prior to 31 March 2018 will be honored from an Inclusive Vat amount. Faircity hotels will thus not increase the inclusive VAT price quoted, and will absorb the 1% VAT increase. Please note, the invoices will show 15% VAT, but the inclusive thus total quote will remain the same.
- Any reservations and conferences quoted from the 1st of April onwards, will be subject to the increased vat rate of 15%.

We will be updating our rate sheets accordingly and be available for any questions you might have to guarantee a smooth VAT transition process.

