



དངུལ་ཕྱི་སྒོ་ལྷན་པོ།
FINANCE MINISTER

དངུལ་ཕྱི་སྒོ་ལྷན་པོ།
ROYAL GOVERNMENT OF BHUTAN
MINISTRY OF FINANCE
TASHICHHO DZONG
THIMPHU



DRC/GST/01/2020/85

1 July 2020

NOTIFICATION

Subject: Enactment of the Goods and Services Tax Act of Bhutan 2020

This is to notify that the 3rd Session of the Third Parliament of Bhutan has enacted the “*Goods and Services Tax Act of Bhutan 2020*”.

The GST applicable rate is 7% as specified under schedule I of the Act, except for those goods and services listed under schedule IV (Exemption) and schedule V (Zero Rated).

The GST registration turnover threshold for the business is Nu. 5 million per annum as specified under schedule II of the Act.

The Excise Equalization Tax (EET) applicable rates are 20%, 30%, 40% and 100% on the certain goods as specified under schedule VI of the Act.

In accordance with Section 2 of the Act, the Act is effective from 16th January 2020. However as specified under Section 3 of the Act, Chapter 7 (Accounting for GST), Chapter 8 (Payment of GST), Chapter 9 (Refund of net amounts) and Chapter 10 (Registration) shall be implemented from 1st July 2021.

Namgay Tshering

Copy to:

1. The Hon'ble Prime Minister, Gyalyong Tshokhang, Thimphu.
2. Dasho Zimpon, Office of the Gyalpoi Zimpon, Thimphu.
3. The Auditor General, Royal Audit Authority, Thimphu.
4. The Chairperson, RCSC, Thimphu.
5. All Constitutional Heads, Government Secretaries, Dzongdags, Thrompons Autonomous Bodies and BCCI.