

sum of SR11,000 to the SRC.

$10,000 \times 10\% = 1,000$

$10,000 + 1,000 = 11,000$  plus interest.

3. How is Interest computed?

The interest rate applied will depend on the Central Bank of Seychelles quarterly average prime lending rate plus 3%.

## Seychelles Revenue Commission Information Brochure On penalties.

**This brochure is not intended as an exhaustive explanation of the law. If you require detailed information about your tax obligations you should visit the SRC or write to us.**

For more information

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## PENALTIES



**An explanation about penalties  
applied to non-compliance with tax  
laws.**

### What is a penalty?

A penalty is a fine imposed by the Seychelles Revenue Commission authorized under the Revenue Administration Act 2009.

### When will penalties be applied?

The Revenue Administration Act, 2009 provides a series of offences that a person can commit that will require penalties. This includes:

- ◆ Failure to register as a business
- ◆ Failure to furnish annual business tax/or presumptive tax return
- ◆ Failure to comply with a requirement
- ◆ Failure to maintain records
- ◆ Failure to submit monthly BAS
- ◆ Failure to pay taxes by the due date
- ◆ Failure to submit monthly payroll
- ◆ Failure to submit monthly VAT return

### What are the tax deadlines of Seychelles Revenue Commission?

There are returns and payments that should be remitted to the SRC on a monthly and on a yearly basis.

The due date for lodgment and payment of returns are as follows:

- All BAS (Business Activity Statement) , should be remitted to the SRC by the 21st of the following month, along with payments of taxes due. For example taxes and BAS form due for the month of MAY 2017 should be remitted to the SRC by 21st June 2017.
- All Business tax returns( both the normal 5 page return and the presumptive tax return) Should be remitted for payments on the 31st March of the following year. For example business tax returns for the year 2016 should be remitted to the SRC along with the payment of taxes due, by the 31st March 2017.
- All VAT returns should be submitted along with payments by the 21st of the following month for compulsory VAT registered businesses and for voluntary VAT registered businesses every three months.

Businesses should respect the deadlines, unless approved otherwise by the Revenue Commissioner to avoid high penalties.

### What are the applicable penalties and how are they calculated?

Failure to lodge your returns will result in late lodgment penalties. Failure to pay your taxes on time will result in late payments penalty plus interest.

1. Late lodgment penalties is calculated as follows:
  - SR 500 in the case of an employer of a small business plus SR 50 for each week or part of a week that the form is not submitted.
  - SR 1,000 in the case of an employer of a medium business plus SR 100 for each week or part of a week that the form is not submitted.
  - SR 5,000 in the case of an employer of a large business plus SR 500 for each week or part of a week that the form is not submitted.

#### 2. Late payment penalties

This is a flat rate of 10% that is applied on the total amount due for payment to the SRC.

For example Mr x owes tax a total of SR10,000 . As a punishment for his late payment he will now have to submit a