

## Angola delays introduction of VAT to 1 July 2019

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At the end of 2017, the Angolan Government proposed the introduction of Value Added Tax (VAT) in the general state budget for 2019, which comes into force on 1 January 2019.<sup>1</sup> Accordingly, VAT was to be introduced on 1 January 2019, replacing the exiting consumption tax of 10%. The latter is a non-deductible tax charged throughout the production chain, resulting in a compounding of the tax levy and discouraging internal manufacturing development. However, due to a delay in the readiness of the new e-invoice clearing system, the Angolan Government has announced that the introduction of VAT and elimination of the existing consumption tax will be delayed until 1 July 2019. The new VAT, when implemented, will be 14%, with nil rating on foodstuffs and other essentials.

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### Endnote

1. See EY Global Tax Alert, [Angola to implement VAT in 2019 Angola to implement VAT in 2019](#), dated 19 June 2018.

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