

VAT for Petroleum Activities

General Objectives:

VAT is a general consumption tax levied on the transfer of goods, the provision of services, intra-Community acquisitions and imports. It is a multi-phase tax as it is paid at all stages of the economic circuit, from the producer to the retailer, and it is a tax with specific rules for some activities, such as oil.

Specific objectives:

At the end of the course, trainees will be able to:

- Know and interpret the legal provisions contained in the VAT Law;
- Know and interpret the legal provisions of the Legal Framework for Invoices and Equivalent Documents;
- Apply the rules for assessing and deducting VAT in the oil industry;
- Knowing the special regimes provided for in petroleum VAT;
- Identifying exemptions in the oil industry
- Calculating VAT for a period.

Recipients:

This course is aimed at professionals working in the areas of accounting and taxation who wish to update their knowledge of VAT in the oil business.

Duration:

18 Hours

Content Program:

Module I - Incidence

- Objective incidence;
- Subjective incidence;
- Concepts;
- Transmissions of goods;
- Provision of services;
- Imports of goods and services;

Module II - Taxable Value

- Taxable value in domestic transactions;
- Taxable value on imports.

Module III - General Regime of the VAT Deduction Regime in Petroleum Activity

- Exercising the right to deduct VAT
- Difference between the concept of deduction in income tax and VAT
- Jurisdiction to make assessments and tax secured;
- General rule for exercising the right to deduct VAT during research and production periods
- Deduction of input VAT on research, evaluation and development costs
- Deduction of input VAT on production costs
- Deduction of input VAT on abandonment costs
- Advantages and reasons for the captive VAT mechanism
- Practical exercises

Module IV - Mechanism for Recovering VAT Excluded from the Right to Deduction

- VAT recovery when calculating the tax base
- The system for recovering VAT incurred in oil transactions and the guarantee of tax neutrality
- Non-deductible VAT - An analysis of its recovery when calculating the PIT tax base in PSCs (Production Sharing Contracts)
- Practical consequences of VAT recovery when calculating the PIT tax base
- Practical exercises

Module V - General Information

- Penalties
- Reporting obligations
- Exemptions in the oil industry