

## **Meaning of longer period**

35. (1) Longer period means a tax year or a period comprising of two or more taxable periods which applies to taxable person who incurs both input tax and exempt input tax during any tax year.

(2) The longer period shall correspond with the tax year unless the taxable person did not incur exempt input tax during his immediately preceding tax year, in which case his longer period shall—

(a) begin on the first day of the first taxable period which he incurs exempt input tax; and

(b) end on the last day on that tax year.

(3) Subregulation (2) shall not apply if the taxable person only incurs exempt input tax in the last taxable period of his tax year.

(4) In the case of taxable person ceasing to be taxable during a longer period applicable to him, that longer period shall end on the day when he ceases to be taxable.

(5) The Director General may approve, in the case of the taxable person who incurs exempt input tax or a class of such persons, that a longer period which does not correspond with a tax year shall apply.