

GRENADA VAT-FREE DAY

CONSUMER INFORMATION GUIDE

AUGUST 28 & 29 2026
VAT REDUCED TO 0% ON ELIGIBLE GOODS

INTRODUCTION

Consumers in Grenada will have the opportunity to purchase eligible goods without VAT on **August 28 and 29, 2026** during VAT-Free Day. Participating VAT-registered businesses will be allowed to apply a **0% VAT rate** to qualifying sales made during the designated period.

ELIGIBLE ITEMS

Tangible goods that are ordinarily subject to the standard 15% rate of VAT will qualify for the VAT-Free Day, provided that the goods are available for sale and are supplied or made available to the customer during the designated VAT-Free Day period.

Eligible categories include food and household essentials, clothing and footwear, school supplies, household appliances, furniture, electronics, building materials, toiletries, personal-care items, and other qualifying tangible goods.

IMPORTANT

Goods must be available for sale and capable of being supplied or delivered to the customer during the VAT-Free Days, special consideration is granted for large items (fridge, stove etc.) and building materials which must be delivered within 2 weeks of the VAT Free day.

NON-ELIGIBLE ITEMS

The following do not qualify for the reduced rate of 0% and remain subject to the applicable VAT rate:

1. Any order or back-order for goods that are not in stock or not immediately available for sale / delivery on VAT-Free Day.
 2. The supply of:
 - a. Motor vehicles including cars, SUVs, trucks, buses, motorcycles and similar vehicles.
 - b. Cigarettes, cigars and other tobacco products
 - c. Alcoholic beverages including but not limited to Wine, Brandy, Vodka, Rum, Liqueurs, Beer, Stout, Shandy
 3. All services including:
 - a. Professional services (e.g. legal, accounting and consulting)
 - b. Rent
 - c. Catering Services
 - d. Top-ups, phone plans and phone cards
 - e. Internet, telephone and cable services
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4. Supplies by accommodation providers and other providers in the tourism sector including restaurants and bars.
5. Goods and services imported on the VAT-Free Day do not qualify for the reduced rate. Imports remain taxable.
6. Lottery, gaming and gambling products and services.
7. Jewellery, precious metals, precious stones.
8. Gift cards, vouchers and similar financial instruments.

Rules Governing Returns and Exchanges

The following outlines the applicable VAT rates for exchanges and returns made during and after VAT-Free Day.

1. If a customer buys an eligible item at the reduced rate of 0% during the VAT-Free Day and exchanges it on the same day for another eligible item, the 0% rate will apply to the exchanged item.
2. If an item purchased during the VAT-Free Day is returned after this day, and the customer uses the credited amount to buy a different product, the standard VAT rate of 15% will be charged on the newly purchased item. This applies even if the item would have qualified for the 0% VAT rate during the VAT-Free Day.
3. When a customer returns an item bought before the VAT-Free Day and makes the return during the VAT-Free Day, using the credit to purchase a different item, the reduced VAT rate of 0% will not be applied to the new purchase.

A list of the approved businesses authorized to participate in the VAT-Free Day, will be published by Friday August 14th, 2026.

BE VIGILANT

Consumers should check their receipts. Ensure that the VAT-Free Day treatment has been correctly applied to eligible purchases and always collect and review your receipt.

