



PCC TAX BRIEFING

Real Property VAT Interest and the First DMTT Filing

CLIENT BRIEFINGS | 1 OCTOBER 2026

Review period: 25 September–1 October 2026

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Executive position. The Department of Inland Revenue says it will start applying the existing interest rule to late VAT on real-property transactions on 5 October. The first DMTT filing date stated in DIR guidance has now passed. Both issues call for immediate evidence checks and direct confirmation of the applicable administrative process.

Key developments

- **Property VAT interest: administrative enforcement planned for 5 October.** The underlying law has been effective since 1 July 2025. Interest is at the prime rate plus one percentage point, beginning 21 days after real-property VAT becomes due and payable.
- **DMTT: first filing date in DIR guidance was 30 September.** In-scope multinational groups should confirm receipt of their return and GloBE Information Return, or promptly resolve any non-filing with DIR. No further extension was identified.

1. Interest on unpaid VAT for real property

STATUS

Enacted law since 1 July 2025; DIR administrative application announced for 5 October 2026

The [Value Added Tax \(Amendment\) \(No. 2\) Act, 2025](#) amended section 47A of the VAT Act. Unpaid tax bears interest at **prime plus one percentage point**. Where VAT is payable on a supply of real property, interest begins **21 days after the tax becomes due and payable**. The legislation does not say that the 21 days always run from execution of a conveyance; the due-and-payable date must be determined for the particular transaction.

In a statement [reported on 21 September](#), DIR said it would begin applying the provision on **5 October 2026** with an upgrade to the VAT Stamp Portal, and address delays attributable to its own processing. No separate DIR circular was located on the calculation, existing unpaid transactions or proof required for a DIR-delay adjustment. This is **not a new enactment**.

Why it matters and who is affected. Buyers, sellers, lenders, trustees, developers and conveyancers may face added cost when tax payment follows execution or funding. The rate varies with prime. Parties should address responsibility for interest before closing.

Practical considerations. Map due, execution, submission, invoice, funding and payment dates. Arrange funds early and retain timestamped evidence of any DIR hold. Bahamian tax counsel should confirm the due-date analysis and treatment of existing transactions; conveyancers and lenders should review closing mechanics. Seek written DIR clarification on disputed calculations.

2. Domestic Minimum Top-Up Tax filing

STATUS

Administrative filing date stated in DIR guidance has passed; statutory and extension basis requires confirmation

DIR's [One Tax Bahamas guide](#) gives **30 September 2026** as the first filing date for the DMTT return and GloBE Information Return. It calls for BIN and DMTT registration, representative authorisation and BICA-qualified review. It says filing was extended but payment was not; a later summary still uses the older 18-month timetable. Verify the Act and any operative extension instrument.

Why it matters and who is affected. Bahamian entities in in-scope multinational groups face potential filing penalties. A submission should be checked against the accepted return version, representative authority and payment record.

Practical considerations. Retain receipts, filed versions, review evidence and payment references. If filing was not completed, promptly ask DIR and Bahamian tax advisers to verify the operative deadline, remedial route and exposure. Do not infer an extension from portal difficulty.

No-change confirmations

The cross-source review identified no separate consequential new measure for customs or excise, stamp duty, real property tax, business licence tax, concessions, FATCA/CRS/CbC, economic substance, tax disputes or Pillar Two. No material new tax judgment was found. The trust VAT and tax-residency proposals had no verified legislative advancement. This describes published sources, not unpublished practice.

What businesses and taxpayers should consider now

1. **Review open property files before 5 October.** Identify the VAT due date, funding path and contractual interest allocation.
2. **Preserve a DIR timeline.** Keep proof of submissions, queries, responses and payments.
3. **Close the DMTT evidence gap.** Obtain acknowledgements and written DIR clarification for late or rejected filings.
4. **Apply current trust VAT law.** Reprice only after enacted relief and commencement are verified.

Priority dates

Date	Action or milestone
30 September 2026 — passed	First DMTT filing date stated in DIR guidance; confirm filing evidence or remedy any failure immediately.
5 October 2026 — DIR announced	Intended start of applying statutory interest to unpaid real-property VAT through upgraded VAT Stamp Portal; confirm administrative details with DIR.
By end-2026 — Government target	Proposed trust VAT amendments and guidance; no operative start date established.

Primary sources and further reading

1. [Official Gazette — Value Added Tax \(Amendment\) \(No. 2\) Act, 2025, sections 1 and 9](#)
2. [DIR — One Tax Bahamas Guide, DMTT implementation timeline](#)
3. [The Tribune — DIR statement on intended 5 October administration, 21 September 2026](#) (secondary report carrying DIR's statement)
4. [Government statement — proposed trust VAT measures, 23 September 2026](#)

Discuss this briefing with PCC

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 Discuss real-property VAT, DMTT filing and transaction tax planning with Pinder Commercial Chambers.

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