



DRC/GST/1/2025-2026/194

19th August 2025

NOTIFICATION

The Department of Revenue & Customs (DRC) under the Ministry of Finance have received several requests from the Private Sector, through the Bhutan Chamber of Commerce and Industry (BCCI) and Association of Bhutanese Industries (ABI) to sensitize them on Goods and Services Tax (GST). In response, we would like to inform all concerned that the Department of Revenue and Customs will be conducting training programs for various stakeholders to facilitate a smooth transition and implementation of the Goods and Services Tax (GST). The tentative training schedule is as follows:

Stakeholder / Sector	Training Dates*
LTUs and GST Registrants	13 th October – 31 st October 2025
Tax Intermediaries	3 rd November – 7 th November 2025
DGPC & BPC	9 th – 10 th October 2025
Financial Institutions	30 th – 31 st October 2025
Telecom Sector	6 th – 7 th November 2025
Government Agencies	20 th – 21 st November 2025

*Date may be subject to change.

Further, the Department hereby notifies regarding stock management arrangements in preparation for the implementation of the Goods and Services Tax (GST) regime, effective January 1, 2026 as under:

- **No transitional credit** shall be available for sales tax paid on goods purchased and held in stock prior to January 1, 2026; and
- Businesses cannot claim input tax credits under the GST regime for taxes paid under the previous tax system.



Therefore, businesses are requested to continue normal operations during this period and avoid holding back or stockpiling goods to ensure a smooth transition to the GST regime.

Further, the Department of Revenue and Customs encourages Businesses meeting the Nu. 5 million Threshold to prepare their transition plan among others by undertaking the following preparatory steps:

1. Mandatory Registration for Businesses with Annual Turnover of Nu. 5 Million and Above

As per the provisions under the Goods and Services Tax (GST) Act of Bhutan, all businesses with an annual turnover of Nu. 5 million and above will be compulsorily registered under GST.

Please note that you are **not required to submit a separate registration application**. The Department of Revenue and Customs (DRC) will register your business based on your 2024 Income Tax return filing. If your turnover has already reached or exceeded Nu. 5 million, your registration will be processed accordingly.

However, if you have not yet received a confirmation email from DRC and you believe that your businesses turnover exceeds Nu 5 million you are encouraged to contact the respective Regional Revenue and Customs Office for clarification.

Your **GST Registration Certificate** will be made available through the Bhutan **Integrated Taxation System (BITS)** portal. Login credentials will be shared with you in due course.

2. GST Rate

The applicable **GST rate is 5%** on the value of taxable goods and services unless specifically exempted or zero-rated under the GST Act.

3. GST-Compliant Invoicing Requirements

Once registered, you will be required to issue valid tax invoices for all taxable sales and supplies from 1 January 2026. The invoice must include the following details:

- The title **"TAX INVOICE"** clearly displayed
- Serial number of the invoice
- Date of issue
- Business name, TPN, and address
- Description, quantity, and details of goods or services
- Breakdown of GST-exclusive value and GST amount



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Department of Revenue and Customs
Ministry of Finance
Royal Government of Bhutan

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- Distinguish on the tax invoice between the goods or services that are an exempt supply, a zero-rated supply or other taxable supply
- State the gross total amount payable in respect of each supply separately
- All monetary values expressed in Ngultrum (BTN)
- Applicable currency conversion rate shall be the rate prevailing at the end of the relevant tax period;
- Name, taxpayer number of the customer if the customer is a registered person;
- Where the value of the supply made to a non-registered person exceeds Nu. 50,000:
 - (a) the name, address, and taxpayer number (if any) of the customer; and
 - (b) any cash discount offered.

At present, if your invoice meets all criteria listed above, it will be considered GST-compliant.

4. Return Filing and Payment – Simple & Online

GST returns will be filed through the BITS portal with the following filing schedule:

Annual Turnover	Filing Frequency	Return Due Date
Nu. 5 million and above	Monthly	Within 30 days after the end of monthly tax period
Nu. 2.5 to less than 5 million	Quarterly	Within 30 days after the end of quarterly tax period
Required to register irrespective of registration turnover threshold for Government entity other than State Owned Enterprise (SOE)	Half-yearly	Within 30 days after the end of half-yearly tax period

Sonam Jamtsho
(Director General)