

December 15, 2006 Notice No. 2007-WBG-08

To: All USAID/West Bank and Gaza Contractors, Grantees and Recipients

Subject: Temporary Value Added Tax (VAT) Exemption Procedures

Dear Implementing Partners,

Attached please find temporary revised procedures for obtaining PA VAT exemptions for local purchases under USAID-funded activities. These procedures clarify how to avoid the payment of VAT on your local purchases at the point of sale during the strike period.

Once the strike ends the Mission believes that the prior procedures will be reinstated where you will be required to obtain an exemption letter from the PA VAT Department prior to any purchase. The Mission will ensure that a proper notification is furnished to you in this regard.

You may direct any questions regarding this matter to Ms. Abeer Odeh of the Financial Management Office at <u>aodeh@usaid.gov</u>

Sincerely,

For Rent

Roy Plucknett Contracting Officer USAID/West Bank and Gaza

U.S. Agency for International Development American Embassy 71, Hayarkon St. Tel Aviv 63903