



GST Guidance: Debit Notes and Credit Notes



BELIZE TAX SERVICE

GST Guidance: Debit Notes and Credit Notes

Debit and credit notes are used to adjust the value of sales after a tax invoice has been issued.

Common reasons for issuing a debit note or credit note include:

- To reflect goods that were returned.
- To reflect a discount that was given after the sale.
- To correct an error/omission on the original invoice.

These documents adjust the GST amount on the original invoice.

Reporting Credit and Debit Notes on the GST Return

Debit and credit notes are reported either on **Line 150** or **Line 260** of the GST Return.

Key Points:

- Enter **only the GST amount**, not the total value of the goods or services.
- **Do not enter negative values.**
- The adjustment may either **increase or decrease** the GST amount reported, depending on whether a debit note or credit note was **issued or received**.

Which Line Do I Use?

If you are the...	Credit Note	Debit Note
Supplier (Seller/Issuer)	Report GST amount on Line 260 Increases the Total Input Tax (GST Receivable)	Report GST amount on Line 150 Increases GST Total Output Tax (GST Payable)
Customer (Purchaser/Receiver)	Report GST amount on Line 150 Increases the Total Output Tax (GST Payable)	Report GST amount on Line 260 Increases GST Input Tax (GST Receivable)

Scenarios:

Returned Goods

A supplier sold goods for **\$1,100 (GST-inclusive of \$100)**. The customer later returned the goods, and the supplier issued a **credit note**.

- **Supplier:** Report the **\$100 in GST** on **Line 260**
- **Customer:** Report the **\$100 in GST** on **Line 150**

Invoice Error/Omission

A supplier discovers that GST of **\$50** was omitted from the original invoice and issues a **debit note**.

- **Supplier:** Report the **\$50 in GST** on **Line 150**.
- **Customer:** Report the **\$50 in GST** on **Line 260**.