August 3, 2011 2011-WBG-13

To:

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

Subject:

Israeli VAT refunds

Dear Implementing Partners,

Very recently, the Israeli Ministry of Finance (MOF) notified the Mission that it will no longer accept Israeli tax invoices that do not have "USAID" on the name line. The Israeli Ministry of Finance wants to ensure that all tax invoices submitted by USAID implementers are in fact incurred under USAID awards and in furtherance of our programs.

Therefore, and effective immediately, please ensure that all Israeli tax invoices issued to and in the name of your USAID funded program also include "USAID" (i.e., name of partner or project / USAID). Tax invoices without "USAID" will be automatically rejected by the Israeli MOF.

Please note that this policy is also applicable to your sub-recipients/contractors/grantees who have Israeli invoices issued in their name under a USAID funded program and submit for Israeli VAT refund through you and the Mission.

If you have any questions or need further details about the above, please contact the Mission's VAT Specialist, Mr. Issa Hanna at ihanna@usaid.gov or 03/511-4823 or 059-935-3685.

Bruce Gelband

Director, Office of Contracts Management

USAID/West Bank and Gaza

cc: USAID/West Bank and Gaza COTRs/AOTRs