

**BELIZE:**

**INTERNATIONAL BUSINESS COMPANIES (AMENDMENT)  
ACT, 2019**

**ARRANGEMENT OF SECTIONS**

1. Short title.
2. Amendment of section 2.
3. Amendment of section 5.
4. Amendment of section 82B.
5. Insertion of new section 82E.
6. Amendment of section 145.
7. Transitional amendment of section 14 of Act No. 24/2018.



**No. 1 of 2019**

**I assent,**

**(SIR COLVILLE N. YOUNG)**

*Governor-General*

27<sup>rd</sup> March, 2019.

**AN ACT to amend the International Business Companies Act, Chapter 270 of the Laws of Belize, Revised Edition 2011; to remove the option by a company to meet physical presence requirements and to institute mandatory physical presence of such international business companies; and to provide for matters connected therewith or incidental thereto.**

*(Gazetted 30<sup>th</sup> March, 2019.)*

1. This Act may be cited as the

Short title.

**INTERNATIONAL BUSINESS COMPANIES**  
**(AMENDMENT) ACT, 2019,**

CAP. 270.  
S.I. 11/2016.  
S.I. 39/2016.  
Act No. 24/  
2018. S.I. 11/  
2019.

Amendment of  
section 2.

and shall be read and construed as one with the **International Business Companies Act**, which, is hereinafter referred to as the principal Act.

2. The principal Act is amended in section 2(1) by deleting the defined term “holding company” along with its definition; and by inserting the following defined term in its proper alphabetical order -

““pure equity holding company” means a company which -

- (a) is a holding body;
- (b) has as its function the acquisition and holding of shares or equitable interests in other companies;
- (c) hold equity participation and earn only dividends and capital gains; and
- (d) does not carry on any commercial activity;”

Amendment of  
section 5.

3. The principal Act is amended in section 5 by inserting the following as new subsection (3A) immediately after subsection (3) -

“(3A) Where there is no other enactment authorising or regulating the carrying on of a business specified under subsection (1) by a company, the International Financial Services Commission shall be responsible for setting of policies, procedures and guidelines for the conduct of business by such company.”.

4. The principal Act is amended in section 82B as follows –

Amendment of  
section 82B.

(a) by deleting subsection (2) and substituting the following as subsections (2) and (2A) –

“(2) Subject to subsection (2A), a company that engages in any other activity pursuant to section 5(1) shall be physically present in Belize.

(2A) Notwithstanding subsection (2), a company that is a pure equity holding company –

(a) is not required to be physically present in Belize;

(b) is required to comply with filing requirements under the International Financial Services Commission Act, Chapter 272, the Income and Business Tax Act, Chapter 55 and this Act;

(c) shall have adequate human resources and premises for holding and managing equity participations in other entities in the jurisdiction where such equity is held; and

(d) shall comply with any other requirement set by the International Financial Services Commission including that which may clarify what constitute adequate in the circumstances.”;

(b) in subsection (3) –

(i) paragraph (b) after the semicolon by deleting the word “and”;

(ii) by inserting the following paragraphs as new paragraphs (d) and (e) –

“(d) the keeping of records in Belize and for its production upon request by an appropriate authority; and

(e) the direct or indirect maintenance of premises and facilities in Belize.”; and

(c) in subsection (4) by deleting paragraph (g) and substituting the following –

“(g) in respect of a pure equity holding company business, complying with the applicable requirements prescribed by the International Financial Services Commission;”.

Insertion of  
new section  
82E.

5. The principal Act is amended by inserting a new section 82E as follows –

“**Outsourcing.** 82E. If a company engages in outsourcing of any of its activities which is required by that company for the compliance with this Act or the International Financial Services Commission Act, Chapter 272 the company shall comply with the following criteria –

- (a) the outsourcing of its core income generating activities shall be undertaken in Belize;
- (b) the level of business activities undertaken shall not be less than what is required in order to be physically present in Belize in respect of the particular business;
- (c) report to the International Financial Services Commission on the outsourced activities, the relevant number of employees, the associated operating expenditures and any other details which is required by the International Financial Services Commission to be reported; and
- (d) comply with any instructions or directive issued by the International Financial Services Commission.”.

6. The principal Act is amended in section 145 by renumbering the existing provision as subsection (1) and insert the following as subsection (2) –

**Amendment of section 145.**

“(2) Notwithstanding subsection (1), the International Financial Services Commission with the approval of the Minister may make regulations in relation to any matter or thing required to be done by the International Financial Services Commission under this Act if that matter or thing is not authorised under the International Financial Services Commission Act. Cap. 272.”.

Transitional  
Amendment of  
section 14 of  
Act No. 24/  
2018.

7. Every company that is required to be physically present pursuant to section 82B(2) shall comply with the regulations made pursuant to the International Financial Services Commission Act in relation to physical presence and in this regard, section 14(7) of the International Business Companies (Amendment) Act, 2018 is hereby repealed.