

**BELIZE:**

## **FISCAL INCENTIVES (AMENDMENT) BILL, 2024**

### **ARRANGEMENT OF CLAUSES**

1. Short title.
2. Amendment of section 10.
3. Insertion of new Part IIA.

**BELIZE:****BILL****for**

**AN ACT** to amend the Fiscal Incentives Act (Act No. 4 of 2023); to provide for exemption on import duty for foreign managers and foreign skilled workers employed by a person with investment of USD\$250,000,000.00 and above; and to provide for matters connected therewith or incidental thereto.

(Gazetted ....., 2024)

**BE IT ENACTED**, by and with the advice and consent of the House of Representatives and Senate of Belize and by the authority of the same, as follows:

Short title.

1. This Act may be cited as the

**FISCAL INCENTIVES (AMENDMENT) ACT, 2024,**

Acts No. 4 of 2023  
and No. 41 of 2023.

and shall be read and construed as one with the Fiscal Incentives Act, which, as amended, is hereinafter referred to as the principal Act.

Amendment of  
section 10.

2. The principal Act is amended in section 10 by renumbering the section as section 10.-(1) and inserting the following new sub-section immediately after sub-section (1) as renumbered, as follows—

“(2) Notwithstanding sub-section (1), the Minister may, in addition to the grounds outlined under that sub-section, revoke a Fiscal Incentive Order granted to an a high investment company on any of the following grounds—

- (a) where, on the recommendation of the Executive Director of BELTRAIDE, the Minister is satisfied that the high investment company—
  - (i) by its own fault, fails to commence commercial operations within three years of the projected



commercial operations date specified in the Fiscal Incentives Order;

- (ii) subsequent to the commencement of commercial operations, ceases commercial operations for two consecutive years, for reasons within its control;
- (b) upon request in writing by the high investment company; or
- (c) becomes insolvent as determined by a court of competent jurisdiction.”.

3. The principal Act is amended by inserting the following new Part immediately after Part II as follows—

Insertion of new Part IIA.

“PART IIA

*Incentives Granted in Relation to Investments of \$250,000,000 Million USD or Above*

16A. For the purposes of this Part—

Interpretation of this Part.

“commercial operations” means the operations of a high investment company, after the completion of a specific investment that results in financial transactions that relate to the approved activities;

“operations date” means the date on which a high investment company commences commercial operations;

“competent authority” means a person or entity that is designated as such by the Minister, to perform the function under this Act;

“dependant” means the spouse or a child below the age of eighteen years of a person employed in a high investment company as a manager or skilled worker;

“dollar” means a unit of the currency of the United States of America, and the sign “\$” shall be construed accordingly;

“GST” or “general sales tax” has the meaning assigned to it under the General Sales Tax Act; and

CAP.63.

“high investment company” means an approved enterprise that implements a project that meets the investment requirements and includes all the successors in title of the approved enterprise;



"investment requirements" mean an investment by way of debt and/or equity financing of not less than two hundred and fifty million dollars (\$250,000,000) for the implementation of a project in Belize;

"project" includes all the development, engineering, procurement, construction and infrastructure works in relation to a specific investment in Belize; and

"skilled worker" means a person who satisfies the Minister that he is of good character and—

- (a) holds a certificate from a university accredited or recognised by the competent authority; or
- (b) possess the requisite qualifications, knowledge and experience,

to perform the work for which he is employed.

Determination of  
high investment  
company.

**16B.—(1)** Notwithstanding the requirements for eligibility under this Act, in determining whether to grant a Fiscal Incentive Order to a company, the Minister shall, have regard to—

- (a) whether the company provides proof that—
  - (i) the investment has met or will meet the investment requirements;
  - (ii) the company has a satisfactory financing plan; and
  - (iii) the company provides or will provide for effective and competent management;
- (b) a recommendation by the Executive Director of BELTRAIDE, in writing, indicating whether BELTRAIDE is in support of the application, and the justification for its recommendation; and
- (c) whether the Minister is satisfied that—
  - (i) the investment will be beneficial to the economy of Belize; and



- (ii) it is expedient after taking into account employment, the environment, and economic development that the investment is in the public interest.

(2) An application by a high investment company shall be accompanied by an application fee of \$50,000 payable to the Government of Belize.

(3) Where the recommendation of the Executive Director of BELTRAIDE does not support the application, the Executive Director of BELTRAIDE shall notify the company, in writing, and provide reasons for its recommendation.

(4) A company that is aggrieved by a recommendation of the Executive Director of BELTRAIDE may appeal to the Minister in the approved form.

(5) Upon the favourable determination of the matters outlined under this section, and after the approval of Cabinet, the Minister shall grant the Fiscal Incentive Order to the company.

**16C.**—(1) Notwithstanding section 5(2), or any other law, the incentives granted by the Minister to a high investment company may include exemption from—

Fiscal incentives to be granted to high investment companies.

- (a) import duty;
- (b) revenue replacement duty;
- (c) excise duty;
- (d) the payment of business tax including any withholding, business, income or other taxes (in connection with any dividends or interest paid by the high investment company); and
- (e) general sales tax.

(2) An exemption from import duty under sub-section (1)(a) granted to a high investment company shall—

- (a) be granted during the establishment and construction phases of the approved activity; and
- (b) be in relation to—
  - (i) machinery and equipment;



- (ii) utility and transport vehicles excluding spare parts or tires;
- (iii) building materials and supplies excluding cement, aggregates and derivatives thereof;
- (iv) fixtures, and fittings, excluding artwork;
- (v) furniture, excluding furniture made from wood;
- (vi) tools and specialized tools;
- (vii) office equipment and appliances;
- (viii) restaurant equipment and appliances;
- (ix) raw materials and packaging;
- (x) spare parts on plant or plant related machinery
- (xi) agricultural equipment and machinery; and
- (xii) aircrafts and marine crafts;
- (xiii) any other category as determined by the Minister

(3) An exemption granted under this Part shall not include equipment, supplies and other items for which there exists locally produced substitutes.

(4) An exemption from general sales tax under sub-section (1)(e) shall be—

(a) be granted during the establishment and construction phases of the approved activity; and

(b) be in relation to the implementation of an investment that meets the investment requirements. (5) The exemptions granted under this Part shall apply only to the activities of the high investment company as set out in the Fiscal Incentives Order.

Incentives granted to managers and skilled workers for personal effects.

**16D.**—(1) Notwithstanding anything to the contrary contained under this Act or any other law, any person who is not a national of Belize, and who is employed by a high investment company as a manager or skilled worker shall be granted exemption from import duty, on all personal effects, including—

(a) furniture; and

(b) equipment.

deemed by the Minister as necessary for relocation to Belize.

(2) For the purposes of this section, personal effects do not include motor vehicles.

(3) The exemption granted under sub-section (1) shall be for a period of six months from the date when the manager or skilled worker relocates to Belize for employment with the high investment company.

(4) A manager or skilled worker who desires to be granted an exemption under this section may apply to the Minister in the approved form as outlined in Regulations.

(5) An exemption granted under this section shall be in relation to the personal effects of any dependant of the manager or skilled worker who relocates with the manager or skilled worker.”.