

Export Processing Zone **Benefits and Responsibilities**

Benefits

The benefits of Export Processing Zones in Belize to investors are:

- Import duty exemptions on inputs
- Import duty exemption on forklifts trucks, platform trucks, and similar vehicles which are used exclusively within the EPZ
- Duty and tax exemption on fuel used for energy generation purposes
- Export duty exemptions
- Exemptions from capital gains tax, property and land taxes, taxes on trade turnover
- Exemptions from excise, sales and consumption taxes on inputs;
- Tax holiday of 20 years
- Dividend tax exemption in perpetuity
- Opportunity to open foreign currency bank accounts in Belize and abroad
- Opportunity to sell, lease or transfer items, goods and services within an EPZ or with other EPZs
- Customs inspection at the Zone for expediency
- Work permits may be granted for up to 15% of workers of the EPZ (all positions must of senior management or technical level)
- Exemption from the Supplies Control Act and its regulations
- No import restrictions on raw materials
- No import or export-licensing requirement; and
- No trade licenses

Responsibilities of all companies with EPZ status

- Furnishing the Ministry, responsible for EPZs, with Bi-Annual reports on the 31st of July and January of every year.
- Making the yearly payment to the Government of Belize of the Industrial Roof Space (IRS) fee calculated at BZ\$0.25 per square foot of industrial roof for use of the EPZ system established under the act. Firms requiring over 7,500 square feet of industrial roof will be assessed on the excess of 7,500 square feet at 80% of the basic fee (\$0.20). The first payment of the IRS is due immediately after the signing of the Operations Contract.
- EPZ businesses shall make a monthly report of all transactions in its foreign currency accounts and also of all sales and purchases, to the Central Bank of Belize and copied to the Ministry of National Development, Investment and Culture.

- Provide independent utility installations after offering existing utility services in Belize, the option for the provision of such services based on quantity, competitiveness and other relevant considerations;
- Special EPZs and EPZ Developers are required to establish an equipped on-site office for the Customs Department with furnishing and office equipment and provide the salary of all customs officers necessary for the normal functioning of the EPZ.
- All EPZs must ensure that no residential quarters are located in the EPZ compound;
- EPZs are not allowed to share their compound with companies that are not EPZ companies;
- Special EPZs and EPZ Developers are required to maintain adequate surveillance and fenced area of operations;
- All requests for duty exemption on utility vehicles (as defined by the 2004 EPZ Act amendment) must be submitted to the Ministry of National Development , Investment and Culture;
- All requests for work permit must be copied to the Ministry of National Development , Investment and Culture for its no objection, since only 15% of the total labour employed by the EPZ is allowed to be foreign, considering that the positions are senior management and technical and that all work permit fees are payable under the Export Processing Zone (Amendment) Act 2004; and
- Any other conditions, rules and regulations under the Export Processing Zone act and regulations and the EPZ Company's Operations Contract.

Relevant Legal Documents

1. Export Processing Zone Act Chapter 280 Revised Edition 2000.
2. Export Processing Zone (Amendment) Act 2004.
3. Export Processing Zone Regulations Revised Edition 2003.