

Government of Belize



FISCAL INCENTIVE PROGRAM

Quick Facts

The **Fiscal Incentive Program** aims to encourage genuine investment in Belize for both existing and prospective investors through the granting of Customs **duty exemptions**. The Program provides a legal and fiscal framework to stimulate productive economic activities that will ultimately contribute to the overall development of Belize.

APPLICATION FORMAT:

A project proposal must be bounded and submitted in 4 copies to BELTRAIDE. Supporting documents* include but are not limited to the following:

- Formal Letter of Application to the Executive Director
- Copy of Articles of Association and Memorandum of Association
- Excel Listing of Items requested for Duty Exemption
- Economic Benefits, Financial Statements, Environmental Checklist, local Banker's Reference/Statement, Phases of Development, etc.

*Contact BELTRAIDE for a comprehensive Application Protocols sheet.

DURATION OF APPLICATION PROCESS:

Approximately **60 working days**, upon full compliance of the stipulated Application Format.

CUSTOMS DUTY EXEMPTION

ELIGIBLE CATEGORIES	INELIGIBLE ITEMS
Building Materials & Supplies	Ammunition & Firearms
Specialized Tools	Articles of Woods
Plant, Machinery & Equipment	Forest Derivatives
Fixtures & Fittings	Expendables & Consumables (vary)
Office Equipment & Appliances	Management Vehicles
Utility & Transport Vehicles	Salvaged Vehicles
Agricultural Machinery & Supplies	
Raw Material & Packaging Material	
Marine Crafts	
Aircrafts & Spare Engines	
Spare Parts for qualified sectors	

COSTS OVERVIEW

CAPITAL INVESTMENT SIZE	APP/PROCESS. FEE	PUBLICATION FEE	ANNUAL ADMIN FEE
Below/Equal BZ\$100,000	BZD 100	BZD 400	BZD 100
Over BZ\$100,000 – BZ\$200,000	BZD 200	BZD 400	BZD 100
Over BZ\$200,000 – BZ\$300,000	BZD 500	BZD 400	BZD 100
Over BZ\$300,000 – BZ\$499,999	BZD 7,000	BZD 800	BZD 1,000
BZ\$500,000 – BZ\$1 million	BZD 15,000	BZD 800	BZD 1,000
Over BZ\$1 million – BZ\$5 mil	BZD 20,000	BZD 800	BZD 1,000
Over BZ\$5 million	BZD 30,000	BZD 800	BZD 1,000

SME Program: The business can be a natural/legal person or an unincorporated entity. The business must have at least 51% Belizean ownership; employs not more than 15 persons; have an annual turnover not exceeding BZ\$500,000

REGULAR Program: Must be an incorporated entity under the Laws of Belize.

WHO QUALIFIES:

1. Company must be registered in Belize.
2. Business activities must provide benefits to the economy of Belize.
3. Government endorsed economic activities include the following:
 - Tourism related activities
 - Aquaculture, Fisheries
 - Health Care
 - Manufacturing
 - Auto Rental
 - Agriculture, Agro-processing, Forestry
 - Arts, Crafts, Culture
 - Computer, Information Technology
 - Handicraft, Woodcarving, Jewellery Production

WHO DISQUALIFIES:

1. Security Companies
2. Condominium Development
3. Casinos
4. Time Shares / Fractional
5. Wholesalers / Retailers

For more information kindly contact BELTRAIDE at (501) 822-3737 or e-mail at beltraide@belizeinvest.org.bz

Application proposal can be submitted to BELTRAIDE at the address:
#14 Orchid Garden Street, Belmopan City, Belize, C.A.

**FISCAL INCENTIVE (REGULAR) PROGRAM
CHAPTER 54 LAWS OF BELIZE**

A properly bounded Project Proposal must be submitted in **4 copies** to the **Belize Trade and Investment Development Service (BELTRAIDE)** with the following supporting documents:

Project Proposal Checklist

Proposal Components		Status	
		Complete	Incomplete
1	Table of Contents		
2	Formal letter of application addressed to the Executive Director of BELTRAIDE		
3	Executive Summary		
4	Company Profile		
	Company name and complete address		
	Sector or Industry		
	Product / Service (including capacity forecast)		
5	Principals / Shareholders		
	Name, Address, Nationality, and the number of shares held by each Shareholder.		
	Copy of Passport of all Shareholders of the Company.		
	Contact numbers and email address of the "Official Contact Person".		
6	Description of Undertaking (Project)		
	When did the business start?		
	What is the company's core business?		
	What products and services are offered?		
	Describe the location of the business and its advantages.		
	List the competitive advantages of the business.		
	Guide for Project Specific details - reference Guideline below		
7	Conceptual Architectural Layout, if applicable		
8	Marketing Plan		
	Discuss the product or service		
	State the location of the business via a Map		
	Discuss how products will be distributed.		
	Provide description and demographics of target market.		
9	Phases and Timeline of Development		
10	Economic Benefits		
	Five-Year Projected Income Statement		
	Indication of Source of Funds		
	Support of a Banker's Reference		
	Financial Projection Summary Table		
	Other Community or Social Interventions, if applicable		
11	List of Items seeking Duty Exemption		
12	Supplementary Documents		
	Land Documentation / Lease to validate land tenureship		
	Environmental Clearance, where applicable		
	Business Incorporation Certificate & Memorandum and Articles of Association		
	Central Building Authority - No Objection, where applicable		
	Commercial Reference (1)		

Disclaimer: BELTRAIDE's receipt of a completed Application Proposal, as per BELTRAIDE's application guidelines, does not implicitly or explicitly confirm an automatic approval of a Fiscal Incentive. Only the Government of Belize's Cabinet can approve, deny or defer an application.

PROJECT PROPOSAL CONTENTS

In compiling the proposal, kindly ensure that information provided is **accurate and complete**. The timeframe for revision greatly depends on the **thoroughness of the information** provided. More importantly, Government needs to be convinced that the **economic and social benefits** justify the granting of a Development Concession. Therefore, kindly note that protocols with uncertainties will be prompted for further elaboration.

The Project Proposal must include the following items:

1. **Table of Contents.**
2. **Formal letter of application addressed to the Executive Director of BELTRAIDE**, briefly justifying consideration for a stated period of development concession.
3. **Executive Summary** giving a one-page summary highlighting all key aspects in the proposal.
4. **Company Profile**
 - Company name and complete address
 - Sector/Industry
 - Product/Service (including capability/ capacity)
5. **Principals / Shareholders**
 - Name, Address, Nationality, and the number of shares held by each Principal/Shareholder.
 - Copy of passport of all Principals/Shareholders of the Company.
 - Contact numbers and email address of the “Official Contact Person”.
 - If an applying Company has a Company entity as one of its shareholders, the names of the corresponding Principals of that Company entity must also be submitted as well.
6. **Description of Undertaking: the Project**

Present as much details as possible regarding the operation of the business.

Some questions to answer and articulate:

 - When did the business start?
 - What is the company’s core business?
 - What products and services are offered?
 - Describe the location of the business and its advantages.
 - List the competitive advantages of the business.

Project Description: Guide for Specific Projects:

- a) In the case of a **manufacturing project**, the articles to be manufactured, the manufacturing processes; type of machinery (new or used), and sketch of factory layout. State the expected level of output at the end of the first year of production. Estimate expected “Annual Output”

at full production in quantity and value.

- b) In the case of an **agricultural project**: the commodities to be produced, the acreage involved, sketch layout of the farm including buildings, sheds, roads, and acreage under production. State any special or innovative farming methods/techniques. State irrigation methods and describe use of fertilizers.
- c) In the case of **hotels and accommodations**: state the number of rooms, describe the layout of the rooms, estimated cost per room (Average Daily Rate or Average Rental Rate), explain any support services offered (i.e. restaurant, bar, internet, pool, gym, tours, trails, etc.).

7. Conceptual Architectural Layout, if applicable

Insert copy of architectural concept layout of the facility, if applicable (e.g., Master Plan, Site Plan)

8. Marketing Plan

- Discuss the product or service
- State the location of the business (attaching the respective area map, indicating where the premise is located and why the location is ideal)
- Discuss how products will be distributed.
- Provide description and demographics of target market.

9. Phases and Timeline of Development

In a table format, detail the timeframe for each phase of development and indicate the **capital investment** for each phase. Please amend the Years and Description of Categories, where applicable.

Sample:

	Year 1	Year 2	Year 3	Year 4	Year 5
Site Preparation	X				
Facility Construction		X	X		
Purchase Machinery				X	
Furnishing of Facility				X	
Commence Operation					X

10. Economic Benefits – Five Year forecast

This includes the benefits that the proposed project will bring to Belize through employment, community development, education and training opportunities, revenues paid in to the Government, and income.

- **Five Year Projected Income Statement (adopt attached Excel sheet)**
- Indicate **source of funds** and insert **Banker’s Reference** on official letterhead of financial institution, showing adequacy to finance the proposed project. The reference must be issued within the last three (3) months.

In a table format (see sample), summarize the following based on your financial projection – Excel sheet:

Financial Projection Summary Table (in BZD Dollars)

Economic Benefits		Year1	Year 2	Year 3	Year 4	Year 5
Payroll only						
Social Security Contributions						
PAYE Tax						
Business Tax						
General Sales Tax						
Hotel Tax, if applicable						
Local & Int’l Marketing Efforts						
Foreign Exchange Earnings						
	Investment to Date	Year 1	Year2	Year 3	Year 4	Year 5
Capital Investment						

Employment Projections (Number of Counts)

	# To Date	Year 1	Year 2	Year 3	Year 4	Year 5
# Full-Time Employment						
# Part-Time Employment						

- **Other Community/social Interventions (if applicable)**
Outline activities/interventions indicating corporate social responsibility.

11. List of Items seeking Duty Exemption

- Insert a list of **items** being sought for duty exemption under the Fiscal Incentives Act. Please indicate an **aggregate value**, with **major ticket items itemized**, for all categories of items seeking duty exemption.
- **Note** that not all items sought will be allowed for exemption, for example, wooden items and expendables. Please reference the Quick Facts guide.

Please present in a **TABLE FORMAT** with columns (see sample below): BZD Dollars

CATEGORY	DESCRIPTION	UNIT	QUANTITY	UNIT PRICE	TOTAL PRICE
Machinery & Equipment	Wrapping Machine	unit	2	\$3,000	\$6,000
Building Materials & Supplies	Electrical wire – heavy	roll	10	\$500	\$5,000
Transport Vehicles	15-Seater Passenger Van	Unit	1	\$30,000	\$30,000

12. Supplementary Documents

- **Land Documentation**
 - Insert copy of **Land Certificate**.
 - If land is not property of the company, present signed agreement between land owner and company showing proof of arrangements to use property through **rent** or **lease**.
- **Environmental Clearance** from Department of Environment
- **Business Incorporation Certificate with Memorandum and Articles of Association**
- **Central Building Authority - No Objection, where applicable**
- **Commercial Reference (1)**

FEE STRUCTURE (payable upon approval by Cabinet)

APPLICATION FEES	
Investment Size	Fee (\$BZD)
Below \$500,000.00	\$7,000.00
\$500,000.00 - \$1 Million	\$15,000.00
Above \$1 Million – \$5 Million	\$20,000.00
Above \$5 Million	\$30,000.00
PROCESSING FEES	
Annual Administration and Monitoring Fee	\$1,000.00
Publication Fee (two weeks)	\$800.00

Annual Administration and Monitoring Fee is payable upon approval and subsequently no later than January 31st of each year thereafter for the duration of the concession.

Publication Fee is payable upon approval for notification in a widely circulated newspaper.

An Amendment Fee is applicable only in instances where amendments or changes are requested for a statutory instrument. This applies to extension of time only.

Note:

- An invoice will be prepared stipulating **ALL FEES** payable immediately following notification of approval.
 - Payment of Application Fee: at Government’s Treasury account (18017/12108/130/24)
 - Payment of Processing Fees: at BELTRAIDE’s Belize Bank Account No. 500-8547.
- All fees are NON-REFUNDABLE.