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REPORT

From: General Secretariat of the Council
To: Permanent Representatives Committee/Council

Subject: Code of Conduct Group (Business Taxation)
– Report to the Council
= Endorsement

Belize's General Income Tax Act section 14 (BZ004)

According to Section 14 of the General Income Tax Act, if a company has made export sales to a country other than a CARICOM country, the amount of CIT shall be reduced by a similar amount to an export allowance.

This could be considered as a ring fencing, as the tax reduction depends on the amount exported by a company. However, before determining whether the regime was harmful or not, the Commission services asked Belize for more information, taking into account the types of activities that can benefit from the Export Allowances (agriculture, aquaculture, forestry and fisheries).

In its reply of 21 May 2019, Belize informed the Commission services that the Export Allowance was related to the former Corporate Income Tax that has been abolished and is no longer applicable. They intend to amend the Income and Business Tax Act to repeal the sections that are no longer valid.

This regime being no longer applicable, the COCG meeting of 13 September 2019 agreed that it is therefore not relevant to carry out an assessment.
