



Belize

Prepared by Lex Mundi member firm,
Barrow & Williams LLP

This guide is part of the Lex Mundi Guides to Doing Business series which provides general information about legal and business infrastructures in jurisdictions around the world. View the complete series at: www.lexmundi.com/GuidestoDoingBusiness.

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Guide to Doing Business

Belize

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Guide to Doing Business

Belize



2016

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GUIDE TO DOING BUSINESS IN BELIZE 2016

1. THE COUNTRY AT A GLANCE

Belize has and continues to enjoy a history of peace, stability and democracy, with elections every five years. It became a British Crown Colony in 1862 and attained independence in 1981. Belize is a member of the United Nations, the British Commonwealth, the Non-Aligned Movement, the International Monetary Fund (IMF), World Bank, Caribbean Development Bank, Inter-American Development Bank, the Association of Caribbean States and the Organization of American States. The Organization of American States was established in order to achieve among its member states—as stipulated in Article 1 of the Charter—"an order of peace and justice, to promote their solidarity, to strengthen their collaboration, and to defend their sovereignty, their territorial integrity, and their independence."

The political system is based on the British Westminster Model with Queen Elizabeth II, represented by a Belizean Governor General, as titular Head of State. Executive authority is vested in the Cabinet headed by the Prime Minister. Legislative authority is in the National Assembly which comprises a democratically elected House of Representatives and a nominated Senate. There are two main political parties both committed to the democratic process and the economic development of the country.

The legal system is based on English Common Law and local statute. There is an established hierarchy of courts with final appeals vested in the Caribbean Court of Justice. Belize has a written constitution with a Bill of Rights.

Belize is a full participating member of the United Nations, Commonwealth of Nations, Organization of American States (OAS), Central American Integration System (SICA), Caribbean Community (CARICOM), CARICOM Single Market and Economy (CSME), Association of Caribbean States (ACS), and the Caribbean Court of Justice (CCJ). In 2001 the Caribbean Community heads of government voted on a measure declaring that the region should work towards replacing the UK's Judicial Committee of the Privy Council with the Caribbean Court of Justice. It is still in the process of acceding to CARICOM and SICA treaties, including trade and single market treaties.

Belize is an original member (1995) of the World Trade Organization (WTO), and participates actively in its work. The pact involves the Caribbean Forum (CARIFORUM) subgroup of the Group of African, Caribbean, and Pacific states (ACP). CARIFORUM presently the only part of the wider ACP-bloc that has concluded the full regional trade-pact with the European Union.

Belize is a member of the following multilateral bodies.

- African, Caribbean and Pacific Group of States (ACP)
- The Agency for the Prohibition of Nuclear Weapons in Latin America and the Caribbean (OPANAL)
- Commonwealth of Nations
- Food and Agricultural Organization (FAO)
- Group of 77 (G-77)
- International Bank for Reconstruction and Development (IBRD)
- International Civil Aviation Organization (ICAO)
- International Confederation of Free Trade Unions (ICFTU)
- International Red Cross and Red Crescent Movement (ICRM)
- International Development Association (IDA)
- International Fund for Agricultural Development (IFAD)
- International Finance Corporation (IFC)
- International Labour Organization (ILO)
- International Maritime Organization (IMO)
- Intelsat (nonsignatory user)
- Interpol
- International Olympic Committee (IOC)
- International Organization for Migration (IOM) (observer)
- International Telecommunications Union (ITU)
- Latin American Economic System (LAES)
- United Nations Economic Commission for Latin America and the Caribbean (UNECLAC)
- United Nations Conference on Trade and Development (UNCTAD)
- United Nations Educational, Scientific and Cultural Organization (UNESCO)
- United Nations Industrial Development Organization (UNIDO)
- Universal Postal Union (UPU)
- World Confederation of Labour (WCL)
- World Health Organization (WHO)

A. *What languages are spoken?*

There are a variety of languages spoken in Belize; however, English is the official language. Spanish would be the second most spoken language. There is a cultural language, Creole, which is spoken nationwide. There are several other indigenous languages such as Garifuna, German, and three variations of Mayan.

B. *What is the exchange rate for the U.S. dollar, the Euro?*

1 U.S. dollar – 2.00 BZ dollars;
1 Euro dollar – 2.23 BZ dollars

C. *Describe your country's geography, proximity to other countries and climate.*

Belize is located on the Caribbean seaboard of Central America, bounded on the North by Mexico and on the West and South by Guatemala. The land area is about 22,923 kilometers square. It is an approximate 2-hour flight from Miami, Houston, Dallas, and New Orleans. Belize enjoys a sub-tropical climate and experiences rainy and dry seasons.

Belize is a beautiful independent nation located on the Caribbean seaboard of Central America, bounded on the north by Mexico and on the West and South by Guatemala. The land area is about 22,923 kilometers square. It is an easy 2 hours flight from Miami, Houston, Dallas, New Orleans and Los Angeles.

The population is at about mid 2016 stood at 377,938 Belmopan is the administrative capital and Belize City is the commercial center. Belize's population is ethnically diverse, including descendants of the original Maya culture and people's of African, Hispanic, Caucasians, and Chinese and East Indians descent.

Belize is culturally unique among its Central American neighbours; it is the only nation in the region with a British colonial heritage. As a part of the Western Caribbean Zone, however, it also shares a common heritage with the Caribbean portions of other Central American countries. In general, Belize is considered to be a Central American nation with strong ties to both the Caribbean and Latin America. Belize is a member of the Caribbean Community (CARICOM), and *Sistema de la Integración Centroamericana (SICA)*.

D. *Are there cultural influences or prohibitions on the way business is conducted?*

It cannot be said that there exist any cultural prohibitions which affect the conduct of business. With regard to influences, previously the cultural or

ethnic background influenced a person's field of work or profession in that some ethnic groups were more inclined to certain sectors of work. Today, however, ethnic lines have grown thin and this is no longer the case.

E. Are there religious influences or prohibitions on the way business is conducted?

Though religion plays a major role in people's personal lives, its impact on the business sector cannot be said to be a significant one. For instance, gambling is adamantly condemned by the church but this has not prevented the establishment of casinos and game rooms in the various districts.

The interaction of the churches and religious organizations with the government and political system is normally informal but yet powerful. Of recent, the churches and religious organizations has been vocal in issues of the country, eg sodomy. The Belize Council of Churches has the representation of several denominations present in Belize and is one of the country's social partners. Their counsel is sought at times by the politicians in several areas particularly when it comes to matters of human rights, national security and others.

F. Explain your country's infrastructure. Be sure to explain which cities have airports, railroad systems, ports, and public transportation.

Most of the major highways are paved. Majority of the roads in the main cities and towns are paved. However many of the roads in the rural areas remain unpaved. There is one international airport located 8 miles WNW of Belize City and there are smaller airstrips in the various districts to facilitate domestic air travel. The three main ports in the country are situated at Belize City, Big Creek and Dangriga. There are a few major bus companies that provide transportation throughout the districts and minor bus service providers in the various localities. There are two marine terminals in Belize City which provide water taxis to the cayes. Local companies being Tropic Air and Maya Island Air provide domestic air travel service while American Airlines, Copa Airlines, Southwest Airlines, Continental and United Airlines, U.S. Airways, Delta Airlines, and TACA provide international air service to gateways including Dallas, Houston, Miami, Los Angeles, Charlotte, Atlanta, San Salvador, and Panama.

G. Explain the communication system.

Telecommunications is provided by two major companies – There are two providers of telecommunications service; Belize Telecommunications Ltd (majority owned by the Government of Belize) and Smart! Direct dialing with major countries in the world, telexes, faxes, cellular, email and internet are readily available. There are other smaller internet service providers such as NetKing, CBC, and Central Cable Vision.

Telephone and internet communications to and from Belize are excellent and international direct dialing facilities are available. The Philip S.W. Goldson International Airport near Belize City provides daily services through several international carriers to the United States and Central America. Major seaports are situated in Belize City, Big Creek and Dangriga.

H. Describe the public services – i.e. water, electricity, gas. Are they publicly or privately owned?

The government owned Belize Electricity Limited is the primary distributor of electricity in Belize. Belize Water Services Limited is the sole water and sewerage utility provider in Belize, the Government of Belize is the owner of majority shares in the company. The services are readily available in the larger municipalities and efforts are underway to fully service remote areas. Esso is the one gas importer but there are a number of retailers.

The provision of gas is given by small privately owned companies such as Brown's Butane, Puma and Esso.

II. GENERAL CONSIDERATIONS

A. Investment policies

1. Does the country generally welcome investment? Are there governmental or private agencies devoted to the promotion of investment?

The Government of Belize welcomes genuine Foreign Direct Investments. The government generally supports investments that contribute to the diversification and improvement of the country's economic base, the creation of new and meaningful employment opportunities, the generation of foreign exchange earnings/savings, and the effective transfer of skills or technology.

The Government of Belize (GOB) and its Belize Trade and Investment Development Service (BELTRAIDE; <http://www.belizeinvest.org.bz/>) identified Belize's priority sectors for investment for 2015 as agriculture, agro-processing, aquaculture, light manufacturing, food processing and packaging, tourism and tourism-related industries, business process outsourcing (BPOs), and renewable energy. The GOB continues to promote foreign direct investment with generous incentives packages coupled with its availability of good land and a resource-abundant natural environment.

The government accommodates new and existing enterprises by offering various investment incentive packages. Investment is monitored and facilitated through the Ministry of Investment & Trade as well as Beltraide – a statutory body whose main object is attracting and facilitating new investment.

The Belize Trade and Investment Development Service (BELTRAIDE) is a statutory body of the Government of Belize mandated to promote and facilitate local and foreign investment, and unfetter the export potential of local businesses to increase foreign exchange, employment, skills development, or transfer technology and government revenue.

2. What is the rate of inflation?

The inflation rate for August 2015 to August 2016 is 0.4%. GDP Growth Rate for Q2 of 2016 was -1.6%; Unemployment rate for April 2016 was 8%. Merchandise Imports as of August 2016 was \$162.97 Million Belize dollars, and domestic exports as of August 2016 was \$59.35 Million Belize dollars.

Home rental prices rose by 0.8 percent during August 2016, while the average price of a 100 pound cylinder of Liquefied Petroleum gas fell 3 percent from \$90 in August 2015 to \$88 in August 2016. Despite a rate increase which came into effect in July, electricity tariffs for August 2016 were still almost 11 percent lower than in the same month of 2015. As a result, prices for the category of Housing, water, electricity, gas and other fuels recorded an overall increase of 0.4 percent compared to August 2015.

3. Explain any sector exceptions, incentives or restrictions on foreign investment?

There are no restrictions on investment as long as activities remain within the bounds of the law. There are no restrictions for foreigners to own land in Belize. The Incentives are Mainly in the form of duty and tax exemptions (tax

holiday) and exchange control free operations. The EPZ – Export Processing Zones Program, Fiscal Incentives Program, Commercial Free Zones and Repatriation of Profits and Dividends offer significant investment incentives.

Generally Belize has no restrictions on foreign ownership and control of companies; however, there is a requirement that foreign investors obtain prior clearance from the Central Bank of Belize in order to own shares in a Belizean company. There are some investment incentives which show preference to Belizean-owned companies. For example, the Small and Medium Enterprise (SME) Fiscal Incentive, offered by BELTRAIDE, stipulates that an entity applying for benefits under the SME incentive must have a minimum of 51% Belizean ownership. If this condition is met, the incentive provides for a lower application fee structure. According to the Belize Tourism Board (<http://www.travelbelize.org/btb>), a company must have a minimum of 51% Belizean ownership to qualify for a Tour Operator License.

4. *Describe de facto restrictions on investment, if any, such as bureaucratic discretion.*

Generally none; issuance of licences is generally in the discretion of the respective Minister. Foreigner ownership of local limited liability companies do require central bank approval.

Foreign investors undertaking large capital investments must be aware of Belize's environmental issues and promotion of environmental protection when designing and proposing projects. There is a requirement to prepare an Environmental Impact Assessment (EIA) when a project meets certain criteria for land area, location, and industry. When purchasing land or planning to develop in a near proximity to an ecologically sensitive zone, it is recommended that the EIA fully address any measures by the investor to mitigate environmental risks. Environmental clearance must be obtained prior to the start of site development. The Department of Environment website, <http://www.doe.gov.bz/>, has more information on the Environmental Protection Act, Chapter 328 of the Laws of Belize.

5. *What are the sizes of the different markets?*

The population size is approximately 377,968 based on the 2016 census.

Belize promotes development of a mixed economy in which Government utilize borrowing mainly on concessional terms, for infrastructure development and private sector support.

Principal exports are citrus, banana, sugar, marine products, garments, timber and services.

Tourism is a major income earner. The Barrier Reef is the longest in the Western Hemisphere and is a haven for fishermen, divers and snorkelers. There are several Mayan archaeological sites throughout the country. A large portion of Belize consists of virgin rainforest, which made it renown as one of the world's leading eco-tourism destinations.

6. *What types of businesses are conducted in the country?*

A wide range of business such as: legal practice, engineering, medical practice, agricultural production, meat processing, educational, banking, fisheries, mercantilism, peddling, handicraft, data processing, services, hoteliering, restaurateuring, and many others.

B. Diplomatic Relations

1. *Explain any established diplomatic relations your country may have.*

Currently Belize maintains 13 embassies and high commissions abroad as well as 56 consulates and other representation. The Belizean capital Belmopan and Belize City host 13 embassies and high commissions and in addition there are 39 consulates and 1 other representation in Belize. Belize has established diplomatic relations with 110 countries.

Belize is a member to the United Nations (UN), the British Commonwealth, the Non-aligned Movement, the International Monetary Fund (IMF), the Organization of American States (OAS), the World Bank, Caribbean Development Bank, Inter-American Development Bank and CARICOM. Belize is a member of the Caribbean Community (CARICOM), the Community of Latin American and Caribbean States (CELAC), and the Central American Integration System (SICA), the only country to hold full membership in all three regional organisations.

The following International Conventions are some of the conventions Belize has ratified:

1. Charter of Civil Society for the Caribbean Community
2. Charter of The Organization of American States
3. Convention against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment
4. Inter-American Democratic Charter
5. International Covenant on Civil and Political Rights
6. The Convention on the Rights of the Child
7. United Nations Charter
8. Universal Declaration of Human Rights
9. Vienna Convention for the Protection of the Ozone Layer
10. Vienna Convention on Consular Relations
11. Vienna Convention on Diplomatic Relations
12. WIPO Convention
14. Convention on the Elimination of All Forms of Discrimination Against Women
15. Optional Protocol to the Convention on the Elimination of All
16. Forms of Discrimination against Women
17. Hague Adoption Convention
18. Geneva Convention
19. Maritime Labour Convention
20. Arbitration Convention (*New York Convention on Recognition and Enforcement of Foreign Arbitral Awards 1973*)

The **United Nations Convention against Corruption (UNCAC)** is a multilateral convention negotiated by members of the United Nations. It is the first global legally binding international anti-corruption instrument. In its 71 Articles divided into 8 Chapters, UNCAC requires that States Parties implement several anti-corruption measures which may affect their laws, institutions and practices. These measures aim at preventing corruption, including domestic and foreign bribery, embezzlement, trading in influence and money laundering. Belize plans to sign on this Convention on December 9th, 2016.

2. *Give addresses, and contact information for the embassies or consulates in your country.*

Embassies in Belize:

Embassy of the Bolivarian Republic of Venezuela - 17 Orchid Garden, Belmopan City, Tel - 501-8222384;

Embassy of the Federative Republic of Brazil- 12 Floral Park Ave, Belmopan City, Tel - 501-822 0480

Embassy of Costa Rica - 1 Marigold Street, Belmopan City, Tel - 501-822-1582

Embassy of Cuba- 6087 Urban Ave/Manatee Dr., Belize City, Belize, Tel-501 2231582

Embassy of Republic of El Salvador - 13 Citron St., Belmopan City, Tel-501 822 3404

Embassy of Republic of Guatemala - 8 A St., Belize City, Belize, Tel - 5012233150

Embassy of Republic of Honduras - 6 A St, Belize City, Belize, Tel - 5012245889

Embassy of United Mexican States - 3 Ring Rd, Belmopan City, Tel - 501-822 0406

Embassy of Panama- 402 Belize Marina Towers, Belize City, Belize, Tel -501-2230209

British High Commission - Embassy Square, Belmopan City, Tel - 501-822-2146

United States of America Embassy - Floral Park Street, Belmopan City, Tel - 501- 822- 4011

Consulates in Belize:

Austria - 16 Regent St, Belize City Consulate; 2277070

Bahamas - 1440 Coney Dr. Belize City Consulate; 2232267

Barbados - 109 New Rd, Belize City Consulate; 2231915

Belgium - 5916 Manatee Drive, Belize City Consulate; 2230748

Canada- 80 Princess Margaret Drive, Belize City; 2231060

Chile - 1 Orchid Garden, Belmopan Consulate; 8222134

Costa Rica - 1 Orchid Garden, Belmopan Consulate; 8220351

Czech Republic- 15 Main St, Orange Walk Consulate; 3223373

Denmark-35 A Regent St. Suite 201, Belize City; 2276870

Dominica - 4 ½ Miles Philip Goldson Hwy, Belize City Consulate; 2232349

Ecuador - 1 ½ Miles Arenal Rd, Benjue Viejo, 8333500

Estonia -35 Barrack Rd, Belize City Consulate; 2233530

Finland - 35 Barrack Rd, Belize City Consulate; 2233530

France - 109 New Rd, Belize City Consulate; 2230399

Germany - 3 ½ Miles George Price highway, Belize City Consulate; 2224369

Grenada – New horizon bldg. suite 1, Belize City Consulate; 2232588
Guatemala –90 Church St, Benque Viejo Town Consulate; 8232188
Guyana – 27 Ridgewood Road, Belize City Consulate; 2253863
India – 14 Albert St., Belize City Consulate; 2271634
Israel – 7 St Mark St., Belize City Consulate; 2231432
Jamaica – 24 Tangerine St, Belmopan City Consulate; 8222183
Japan – King St., Belize City Consulate; 2272882
Korea (Republic) – 828 Coney Dr, Belize City Consulate; 6779690
Lebanon – 35 Barrack Rd, Belize City Consulate; 2233934
Malaysia – 2 miles George Price highway, Belize City Consulate; 2224143
Mexico – 65 Santa Rita hill, Corozal Consulate; 4222049
Morocco – 2 miles George Price highway Belize City Consulate; 2224154
Netherlands - 12 Cor. Baymen Avenue & Calle Al Mar. Belize City, Tel – 501-223-2953 Belize City Consulate;
Norway – King St, Belize City Consulate; 2277031
Paraguay – 1 King St, Belize City Consulate; 2277031
Peru – 7145 Slaughterhouse Rd, Belize City Consulate; 2230528
Philippines – 35 New Rd, Belize City Consulate; 2236798
Poland – the Matalon building, 4th floor, Belize City Consulate; 2230088
Portugal – T1 Mapp St. Belize City Consulate; 2233404
Russia – 18A princess Margaret Dr, Belize City – 2230553
Spain – 8 D St, Belize City Consulate; 6101615
Saint Kitts and Nevis – 53 Barrack Rd, Belize City Consulate; 2235566
Suriname – 14 Albert St, Belize City - 2271231
Sweden –Forest Drive, Belmopan Consulate; 8222094
Switzerland – 83 North Front St, Belize City Consulate; 2235505
Turkey – 42 Cleghorn St, Belize City Consulate; 2230675

3. *Are there prohibitions or restrictions on certain business dealings with the country?*

No, but there are licenses and permits that are required to conduct certain types of businesses and these permits are subject to yearly fees.

4. *Explain any travel restrictions to or within the country?*

A valid passport is required of all visitors. Citizens of the UK, EU, US, Mexico, CARICOM, Costa Rica and some Commonwealth countries are not required to have visas to enter Belize, but must have a return ticket. Citizens of other countries require visas which can be obtained from a Belize Consulate or

Embassy in their respective countries or if there is none, from the nearest British Embassy. Visa fees may vary.

Visitors are then given 30 days to stay in the country of Belize but a visitor may apply for another 30 day extension at the Immigration Department to allow him/her to stay further in Belize.

List of Countries Not Requiring Belize Visa to Enter Belize

COUNTRY Antigua & Barbuda, Austria SI# 134 of 2002 no visas for holders of Diplomatic & Official passports, Australia • Norfolk Island • Andorra Bahamas, Barbados, Brazil, Belgium, Botswana, Brunei, Bulgaria Member of EU on 1/1/07, Canada, Chile SI #45 of 1992, Colombia, Costa Rica SI# 153 of 1991, Cyprus, Czech Republic, Denmark , Greenland, Dominica, El Salvador SI # 121 of 1997 & SI # 18 of 2001, Estonia, Fiji, Finland, France, • Antilles • French Guiana • French Polynesia • Guadeloupe -La Deserada -Marie Galante - Isle de Saintes – St. Barthelemy – St. Martin • Martinique • Mayotte • Reunion, Gambia, Germany, Ghana, Greece, Grenada, Guatemala SI# 153 of 1991, Guyana, Honduras SI # 121 of 1997 & SI # 57 of 2007, Hong Kong (SAR China) Special Agreement with China (1997), Hungary, Iceland, Ireland, Italy, Jamaica, Japan, Kenya, Kiribati, Latvia, Lesotho, Lithuania, Luxembourg. Malawi, Malaysia, Maldives, Malta, Mauritius, Mexico SI# 31 of 1998 No visas for holders of diplomatic & official passports. Continues.

Monaco, Namibia, Netherlands – Aruba – Netherland Antilles, New Zealand – Cook Island – Nive – Tokelau – Ross Dependency, Nicaragua SI#121 of 1997 & SI# 57 of 2007, Norway, Papua New Guinea, Poland, Portugal, Romania – became member of EU on 1/1/07, St. Kitts & Nevis, St. Lucia, St. Vincent & the Grenadines, Seychelles, Sierra Leone, Singapore, Slovakia, Slovenia, Solomon Islands, South Africa, South Korea, Spain, Suriname, Swaziland, Sweden, Switzerland, Tanzania, Tonga, Trinidad & Tobago, Tunisia, Turkey SI# 81 of 2001. Tuvalu, Uganda, United Kingdom – Anguilla – Bermuda – British Antarctic Territory – British Indian Ocean Territory – British Virgin Islands – Cayman Islands – Falkland Islands – Gibraltar – Montserrat – Pitcairn Islands – St. Helena & Dependencies (Ascencion, Tristan da Cunha) – South Georgia and the South Sandwich Islands – Sovereign Base Areas of Akrotiri and Dhekelia – Turks & Caicos Islands, United States of America, Permanent Residents of the United States of America – American Samoa – Guam (Northern Mariana Islands) – Puerto Rico – Marshall Islands – Federated States of Micronesia – Palau – U.S. Virgin Islands, Uruguay Vanuatu, Venezuela SI# 47 of 1997, Western Samoa, Zambia, Zimbabwe.

C. Government

1. *Explain your country's election system and schedule. Is there an anticipated change in the present government?*

Belize has a democratically elected government. Elections are held at intervals of not more than 5 yrs. and there are 2 major competing political parties. Elections are based on a first- past-the post system. The voting age is 18 yrs. The Constitution is supreme.

Belize has and continues to enjoy a history of peace, stability and democracy, with elections every five years. It became a British Crown Colony in 1862 and attained independence in 1981. Belize is a member of the United Nations, the British Commonwealth, the Non-Aligned Movement, the IMF, World Bank, Caribbean Development Bank, Inter-American Development Bank and the Organization of American States.

The political system is based on the British Westminster Model with Queen Elizabeth II, represented by a Belizean Governor General, as titular Head of State. Executive authority is vested in the Cabinet headed by the Prime Minister. Legislative authority is in the National Assembly, which comprises a democratically elected House of Representatives and a nominated Senate. There are two main political parties both committed to the democratic process and the economic development of the country.

2. *Is the present government stable? Briefly explain your country's political history in the last decade.*

Prior to 2008, the People's United Party (PUP) led the country for approximately 10 years. In national elections on February 7, 2008, the United Democratic Party (UDP) prevailed over the incumbent People's United Party (PUP). The UDP won 25 of the 31 seats in the House of Representatives, while the PUP won the other six seats. Elections take place under generally peaceful conditions. In 2012, The UDP won again in another general elections being 17 out of 31 seats. Again on November 4th 2015, the UDP won an unprecedented third straight time in the general elections. Thus making Mr. Dean Oliver Barrow SC the first man to be Prime Minister of Belize on 3 elections win and a three time Prime Minister.

3. Explain your country's judicial system. Be sure to answer the following questions:

- *Is the judicial system generally perceived to be impartial?* Yes
- *Must disputes be resolved in the country?* Yes unless contract provides otherwise.
- *Is there a political method of resolving disputes?* For International disputes there is a system of negotiation and arbitration
- *Are alternative methods of dispute resolution permitted?* Yes, arbitration exists and mediation presently exist. There is also court ordered mediation. There is also the International Court of Justice (ICJ).
- *How long does it take to resolve disputes?* Time span varies; about 1-5 years depending on its nature and the method of dispute resolution employed.
- *Can foreign judicial decisions be enforced in the country?* Only UK decisions or decisions from countries with which Belize has a Reciprocal Enforcement Agreement.
- *Can decisions from the country be enforced outside the country?* Based on enforcement laws of that state and reciprocal enforcement arrangement.
- *Are there separate tribunals depending upon the subject matter of the case?* We have only one legal system that is based on the English Common Law. Our courts deal with both criminal and civil matters and the court is of the same make up for both types of matters. Family matters are dealt with separately by the Family Court. There are statutory appeal boards set up to hear appeals with respect to matter such as Social Security and Income Tax, Business Tax and General Sales Tax from which appeals on questions of law may be made to the Supreme Court.
- *Are there different legal systems within the country or its political subdivisions?* No
- *Can the investor choose to be subject to the country's jurisdiction or not?* Jurisdiction over a person is usually based on presence. Therefore, mere presence in the jurisdiction would make the person subject thereto. An investor may stipulate a choice of law in contracts governing transactions;

resolution of disputes arising from the contract will then be subject to the jurisdiction stipulated.

4. *Explain your country's legislative system.*

Legislative authority is vested in the National Assembly, which is comprised of a democratically elected House of Representatives and a nominated Senate. The 31 members of the House of Representatives are popularly elected to a maximum five-year term of office. The Senate currently consists of 12 Senators plus the President of the Senate. The function of the House of Representatives is to make laws by passing bills, develop a budget to spend public monies and address the needs of citizens. Members of the House of Representatives are persons who have gained the most votes in the political constituencies during a General Election. In this way, the Government is by the people. General elections must be held at intervals of no longer than five years. All citizens able to vote are entitled to be candidates provided that they are not undischarged bankrupts, hold office in the Public Sector, or who owe allegiance to a foreign power.

The Senate of Belize is the other house in the National Assembly. Members of the Senate of Belize are not elected but are appointed on the advice of the Prime Minister, the leader of the Opposition, the Belize Council of Churches, The Belize Chamber of Commerce and the Civil Society Steering Committee. This process selects people who are not campaigning politicians but who carry much experience in their particular field. Functions attributed to the Senate include ratification and confirmation of bills or laws passed by the House of Representatives. The Senate can also begin legislation of new laws.

The legislature in Belize is also a 5 year body. The governance system in Belize is composed of three branches: the legislative, judiciary and executive branches.

The judicial system of Belize is patterned from the common law system used in England. It is made up of the Magistrates' Courts, the Family Courts, the Supreme Court, the Court of Appeal and the Caribbean Court of Justice. The judiciary is headed by the Chief Justice who, along with Puisne Judges, form the Supreme Court. The Supreme Court convenes to hear criminal matters in its north, central and southern circuits. The Court of Appeal is a chapter of the judiciary that judges on civil or criminal matters from the Supreme or Magistrates court. The Court of Appeal is headed by a President and meets

four times per year. Beyond the Court of Appeal is the regional Caribbean Court of Justice. This is the highest court to which Belizeans may appeal and is composed of seven judges.

D. Environmental Considerations

1. What is the public/government attitude toward environmental regulation?

Environmental awareness is becoming more prevalent amongst the Belizean public and government. However, the government still seems to be more pro-development whilst the general public is resistant to any development that will have adverse effects on the environment. Despite the differing priorities, both government and citizens are trying to work towards sustainable development.

There are organizations which promote environmental awareness and protection for protected areas in Belize. These organizations include Protected Areas Conservation Trust, the Belize Audubon Society, Wildlife Conservation Society, Oceana, Southern Environmental Association (SEA), Toledo Institute for Development and Environment, Ya'axché Conservation Trust, and Green Reef.

2. Explain any environmental regulations.

The Environmental Protection Act – establishes the Department of the Environment and Provides for the preparation of other regulations: (1) Effluent Limitation Regulation; (2) Environmental Impact Assessment Regulation; (3) Pollution Regulation; (4) Solid Waste Management Authority Act; (5) Summary Jurisdiction Act – Littering- Litter Offence & Violation Tickets. The Department of the Environment has oversight and regulatory authority over projects that will have an impact on the environment and provides a wealth of information on its website, www.doe.gov.bz.

E. Intellectual Property

** Describe the law for the protection of intellectual property, including trademarks, copyrights, patents and know-how.*

Belize has fulfilled its obligation under the World Trade Organization (WTO) to implement the Agreement on Trade- Related Aspects of Intellectual Property (the TRIPS Agreement). The Belize Intellectual Property Office (BELIPO Online) was established to administer these IPR laws, which include copyrights, industrial designs, patents, trademarks, protection of new plant varieties, and protection of layout – designs (topographies) of integrated circuits. Visit www.belipo.bz for additional information.

Belize provides for the filing of original application for registration of trademarks without reference to United Kingdom registrations. Trade Marks are registered for a period of ten (10) years and may be renewed at the expiration of that period for an additional ten (10) year period.

An application claiming priority may be filed in Belize within six (6) months of the date of filing in the convention country. Certification marks and collective marks may also be registered.

An application for registration of a trade mark must be accompanied by an authorization form and six representations of the mark to be filed. After submittal of application for registration, the mark will be published in three fortnightly issues of the Intellectual Property Journal and Certificate of Registration issued within two weeks of the last publication.

- *Does the country subscribe to international treaties?* Yes
- *Are there substantive prior approvals by national investment boards?* No
- *What are the notarization requirements?* In the initial process notarization is not required but for other legal documents that may come up i.e. change of name or merger it is required.
- *Are there regulatory guidelines for licenses?* Yes. The guidelines are set out in the following: the Copyright Act, Patent Act, Industrial Design Act, and Trademark Act.
- *Are there specific exceptions or requirements in relation to a particular product(s)?* Yes. You may refer to www.belipo.bz for further assistance.
- * *When are royalties from licences deemed to be excessive?* Not described in law. No restriction on excessiveness.
- * *Do local antitrust or competition laws apply to licenses?* No

** What typical agreements do foreign corporations enter into with their wholly owned subsidiaries? Commercial contracts for purchase of real estate, stock, inventory and shares.*

III. INVESTMENT INCENTIVES

A. Explain any export incentives or guarantees. Be sure to answer the following questions:

• Are there tax incentives for exports? Yes

A person/entity may wish to visit with Beltraide (The Belize Trade and Investment Development Service) to apply for tax incentives.

** If so, are they limited to certain types of products? No, but 60% of the product must originate in Belize, and having a Belize entity for the application process is helpful.*

** Is export financing available from government or private sources? Yes, available from gov't ministry of finance and from the local banks.*

** If so, what forms of financing or guarantees are available? EPZs and Mortgages*

** Is there any governmental insurance for exports? No*

** Must a national be a participant in the enterprise in order for the investor to benefit from these incentives? No*

B. Explain any grants, subsidies or funds your country offers foreign investors. Be sure to answer the following questions:

• Are grants and subsidies restricted by the type of activity? There aren't any grants and subsidies because Foreign Investment means that finance is brought into the country by the investor. Government assistance is usually via tax breaks, import/export incentives or tax holidays.

• What is the process for obtaining approval for these grants or subsidies? N/A. A person/entity may wish to visit with Beltraide (The Belize Trade and Investment Development Service) to apply for tax incentives, or for import/export incentives.

- *How long does it take to receive approval? N/A*
- *Can the investor receive loans from the government or governmental agencies? N/A*
- *Must a national be a participant in the enterprise in order for the investor to receive these grants or subsidies? N/A*

C. *Explain any national tax incentives for foreign investors. Be sure to answer the following questions:*

- The main incentives for foreign investors are via: EPZs – Export Processing Zones, Fiscal Incentives Program and Commercial Free Zones. Export Processing Zones benefits, as the name suggests, is limited to products for export purposes. The type of activity the investor engages in affects the incentives available since gov’t grants incentives mainly to ventures related to tourism, agriculture, and the manufacture of products. A person/entity may wish to visit with Beltraide (The Belize Trade and Investment Development Service) to apply for tax incentives, or for import/export incentives.

Belize’s natural assets, progressive development policies, pro-business investment climate, and long-time democratic stability have created an ideal destination for investors seeking a sustainable harbor amidst the waves of global economic hardship. The Government of Belize (GOB) is wholly committed to supporting the country’s niche-oriented development model, while preserving the country’s distinctiveness and fostering investor confidence. Likewise, the wide array of investment related incentives have all continued to firmly reinforce the country’s business-friendly reputation.

As a testimony to the global reach and effectiveness of Belize as an investment destination, the Economic Commission for Latin America and the Caribbean (ECLAC) has ranked Belize **5th** in the Caribbean in terms of Foreign Direct Investment inflows in relation to GDP in 2014. The publication also ranks Belize **3rd** in terms of profitability of Foreign Direct Investment (FDI) at 9% when compared to the rest of the Caribbean region.

Current priority sectors for investment include:

- Tourism & Leisure (w/ Medical Tourism)
- Agri-business & Agro-processing
- Fisheries & Aquaculture
- Sustainable Energy

- Offshore Outsourcing (BPO, ITO & KPO)
- Light Manufacturing and Logistics

Additionally, Belize provides the three (3) main elements sought by global investors:

- **Stability:** long-standing, democratic tradition; independent judiciary; fixed exchange rate with the US Dollar (Bz \$2 = US\$1) since 1978
- **Profitability:** attractive Fiscal Incentives and concessions; Commercial Free Zones; Export Processing Zones; repatriation of profits and dividends.
- **Liveability:** subtropical climate, virgin rainforest, un-spoilt beaches, a spectacular barrier reef and friendly people

- *Are the incentives restricted by the type of activity? No.* Foreign Investment means that finance is brought into the country by the investor. Government assistance is usually via tax breaks or tax holidays.

- *Are the incentives restricted by the duration of the activity? No*

* *What is the process of application? Contact:*

Belize Trade and Investment Development Service
 14 Orchid Garden St, City of Belmopan,
 Cayo District, Belize
 Phone Numbers:
 Headquarters: (+501) 822- 3737
 BTEC Office: (+501) 223-0322-
 SBDC Belize: (+501) 223-3195
 Publicrelations@belizeinvest.org.bz

D. *Explain any regional tax incentives open to foreign investors. Be sure to answer the following questions:*

- *Are there tax incentives for the investor that exists only in certain regions of the country? Yes, to avail oneself of the CFZ benefits, business must be set up in one such zone.*

- *Does the investor need to receive approval to be eligible for these incentives? Yes*

- *Are the incentives restricted by the type of activity? Yes*

- *Are the incentives restricted by the duration of the activity?* No
- *What does the process of application involve?* To qualify for Fiscal Incentives, the Co. must be incorporated under the laws of Belize and its activities must be beneficial to the economy and public interest. To apply, a project proposal must be submitted in triplicate to the Belize Trade and Investment Development Service (BELTRAIDE) along with the following supporting documents: (1) Copy of the Company's Articles of Association and Copy of Memorandum of Association; (2) Central Bank Approval; (3) Copy of Certificate of Incorporation; (4) Banker's reference; (5) Land Title; (6) Proforma Profitability Statement; (7) List of items requested for duty exemption. For further information please visit <http://www.belizeinvest.org.bz/>

IV. FINANCIAL FACILITIES

A. Banking/Financial Facilities

- *What kind of financial institutions exist?* There are 4 commercial banks: The Belize Bank Ltd., Heritage Bank, The Atlantic Bank Ltd., and The Bank of Nova Scotia. Offshore Banking is done as well; there are six international banks licensed to operate in Belize: Market Street Bank Limited, Heritage International Bank & Trust Limited (formerly Provident Bank & Trust of Belize Limited), Atlantic International Bank Limited, Caye International Bank Limited, Belize Bank International Limited (formerly British Caribbean Bank International Limited), and Choice Bank Limited
- *Must the investor maintain a bank account in the country?* No but highly recommended
- *What are the requirements for opening a bank account?* Letter of reference from a bank in the investor's home country, notarized copy utility bill, character references, professional references, a notarized copy of your passport is usually required by all banks. The requirements may vary from bank to bank. Two suitable Bank References on official Bank's Stationery evidencing physical location and contact information signed by Banker's senior personnel must be submitted for each of the signatories to the account (personal and corporate accounts), beneficial owner(s) and director(s) of a company (corporate accounts). A banker's reference will only be accepted from an acceptable financial institution and should be an institution with which the person has had a relationship for at least eighteen (18) months. This should be stated in the reference. (e.g., length of relationship, nature of

business, and average balances where possible). A Character Reference from a recognized lawyer or accountant may be considered in substitution of a banker's reference if the signatory carry business with only one Bank.

- *What are the restrictions, if any, on the investor's use of the account?* There are no specific restrictions but the banks can refuse any transaction that appears to be suspicious.
- *What is the type of financial system in the country?* Free market financial system
- *How is the banking system structured?* The Banking system is regulated by the Central Bank of Belize. You may visit their website at <https://www.centralbank.org.bz/>
- *Is there a stock market?* No
- *Can the investor receive bank loans?* Yes, but may be subject to Central Bank approval.

V. EXCHANGE CONTROLS

A. Business Transactions with Nationals, Residents or Non-Residents

- *How are nationals, residents and non-residents defined?* Nationals, referred to under law as Citizens are persons born in Belize, or person naturalized or registered under the relevant Act. A resident is a person who has been residing in Belize in excess of 1 year.
- *Are there restrictions on conducting business with nationals, residents or non-residents?* No, with the exception of International Business Companies (IBC) incorporated in Belize and International Limited Liability Companies. International Business Companies cannot neither own land in Belize nor carry on business as a registered office for companies in Belize. Neither can the IBC carry on business with residents of Belize. Furthermore, only non-residents would be able to form and own International Limited Liability Companies and, there are also restrictions on doing business in Belize with these LLCs.
- *Are there reporting requirements?* Yes, a bank may request that all moneys coming into the account must be accounted for. The banks also have reporting requirements as may be required by the revised Money Laundering

and Terrorism (Prevention) Act, which came into effect on 1 January 2009.

Part III Securities Section 8 (2) of the Exchange Control Regulations stipulates that Exchange Control permission must be obtained where non-residents want to form companies under the Companies Act (Chapter 250 of the laws of Belize).

Section 40 of the Exchange Control Regulations stipulates that Exchange Control permission must be obtained where a non-resident is involved in any transaction relating to the transfer by way of sale, exchange, gift or mortgage of any land, buildings or other hereditaments situated in Belize.

The Central Bank's permission is required for the following;

- a) Any sale of land situate in Belize by a resident to a non-resident
- b) Any purchase of land situate in Belize by a non-resident to a resident

Also Pursuant to Part III, Anti-Money Laundering and Anti-Terrorism Supervision, Section 15(3) (1) (d) (iii) states that reporting entities shall take reasonable measure to establish their client source of funds. Depending on the request, The Central Bank reserves the right to request any additional information as deemed necessary for the processing of the application.

• *Can the investor receive loans from nationals, residents or non-residents? Yes*

Exchange Control Regulations [CAP. 52] sets out central bank approval requirement for securities. Section 8 (1) states Except with the permission of the Central Bank, no person shall in Belize issue any security or do any act which involves, is in association with or is preparatory to the issuing outside Belize of any security which is registered or to be registered in Belize, unless the following requirements are fulfilled, that is to say:

(a) neither the person to whom the security is issued nor the person, if any, for whom he is to be a nominee is resident outside the scheduled territories; and (b) the prescribed evidence is produced to the person issuing the security at to the residence of the person

to whom it is to be issued and that of the person, if any, for whom he is to be a nominee.

Section 12(1) states Except with the permission, of the Central Bank, no person in Belize shall do any act with intent to secure that capital moneys payable on a security registered in Belize are paid outside Belize, or that, where the certificate of title to a security is in Belize, capital moneys payable

on the security are paid outside Belize without production of the certificate to the person making the payment.

B. Investment Controls

- *Are there restrictions on direct investment in the country?* No
- *Are there restrictions on indirect investments in the country?* No
- *Must the investor make declarations regarding the nature of his/her investment?* Yes

C. Money Transfer

- *Is there free determination of exchange rates?* The exchange rate is fixed at BZ\$2=US\$1, all other applicable foreign currency exchange rates with the Belize dollar can be seen at www.centralbank.org.bz

	Buying		Selling	
	Oct 3 2016	Oct 28 2016	Oct 3 2016	Oct 28 2016
United States	1.9800	1.9800	2.0175	2.0175
Canada	1.5013	1.4726	1.5471	1.5174
United Kingdom	2.5303	2.3987	2.6073	2.4717
Euro	2.4077	2.1534	2.4811	2.2190

- *Are there restrictions on the transfer of money into or out of the country?* Yes; all transfers of foreign exchange in excess of US\$500.00 out of Belize must first be approved by the Central Bank of Belize. There is however no limit on transfers of foreign exchange from legitimate sources into Belize.
- *Are there restrictions on the remittance of profits abroad?* No
- *Are there reporting requirements?* Yes
- *Can hard currency be taken out of the country?* Yes but if it is more than the equivalent to Twenty Thousand Dollar Belize Currency (US\$10,000) it must be reported and approved.

VI. IMPORT/EXPORT REGULATIONS

A. Customs Regulations

- *Is the country a member of GATT?* No Belize is a member of WTO.
- *Is the country a member of the EEC?* No
- *Is the country a party to a regional free trade agreement?* Belize is party to NAFTA and CARIFTA. Belize has preferential market access to the Caribbean Community under CARICOM, preferential treatment from the US under the Caribbean Basin Initiative, and Belizean goods enter duty free in Canada under CARIBCAN.
- *Does the Customs Department value the goods?*
Yes, they value all imports and levy a duty that is flexible and 12.5% sales tax that is fixed.
- *How are goods cleared through customs?* If goods are shipped via a vessel, the person must get relevant documents from the shipping Company or if goods are sent by air, the person must have airway bill and take this to the Customs Department. The person may pay a broker to clear the goods or the person may clear them himself. Once documents are taken to the Dep't, the goods are valued by a customs officer who in turn levies charges if they are taxable. After the person pays the cashier the duties he/she can take possession of the goods.

Section 17.-(1) *Customs Regulation (CAP. 49)* states that in every entry there shall be stated the value of the goods mentioned therein, and if such goods are charged to pay duty according to the number, measure or weight thereof, such number, measure or weight shall also be stated in the entry.

(2) Every entry shall be signed by the importer or the person for the time being in charge of his business, and when the entry is delivered to the Comptroller or other proper officer the invoice of the goods mentioned in the entry shall also be produced to the Comptroller or other proper officer.

(3) The Comptroller or other proper officer may require the importer to produce further proof as to the value of the goods, and if such proof is not produced or if it appears to the Comptroller or other proper officer that such goods are valued below their value, he may cause the goods to be examined by two competent persons to be nominated and appointed by the Comptroller.

(4) Such persons shall declare on oath, if required, before the Comptroller what is the value of such goods, and the value so declared shall be deemed to be the value upon which the duties due thereon shall be charged and paid.

(5) Notwithstanding anything to the contrary contained in this Act or any other law if it appears to the Comptroller, upon the examination of any goods liable to customs duties, that such goods are not valued according to their true value and that they are properly chargeable with a higher amount of duty than that which has been entered or declared in respect of them, the Comptroller may assess the value of such goods at such amount or additional amount, as according to his best judgment ought to have been given as the true value of such goods, and thereafter determine the rate or amount of duty chargeable on such goods, which amount shall be the duty payable in respect of such goods.

- *Are there applicable tariffs? Yes*

B. Exports

- *Are there restrictions on exports? Yes, for instance, on some agricultural products like herbs and on fishery licenses are required*
- *Are export licenses required? Yes, export licenses are required for certain goods such as lumber, beans, rice, sugar, live animals (including pets), citrus, fishery excluding aquaculture species etc.*

Section 20 (1) of the *Exchange Control Regulations [CAP. 52]* states:

The exportation from Belize of-

(a) any notes of a class which are or have at any time been legal tender in Belize or in any other territory;

(b) any postal orders;

(c) any gold

(d) any of the following documents (including any such document which has been cancelled), that is to say-

(i) any certificate of title to a security and any coupon; and

(ii) any policy of assurance; and

(iii) any bill of exchange or promissory note expressed in terms of a currency other than that of a scheduled territory and payable otherwise than within the scheduled territories; and

(iv) any document to which Regulation four of these Regulations applies not issued by an authorised dealer or in pursuance of a permission granted by the Central Bank; and any document certifying the destruction, loss or cancellation of any of the documents aforesaid;

(e) any such articles exported on the person of a traveler or in a traveller's baggage as may be prescribed;
and

(f) any Treasury Bill;

is hereby prohibited except with the permission of the Central Bank.

- *Are there applicable export duties?* Yes on certain products

C. Foreign Trade Regulations

- *Are there foreign trade regulations on the import or export of goods involved in the business?* Yes

D. Imports

- *Are import licenses required?* Yes, import licenses are required prior to importation of the following products such as beans, bleaching agents, eggs, flour, fruit & vegetables, furniture of wood, cane, osier, bamboo, rattan or similar material, fuel, poultry, wearing apparel for commercial purposes, gases, soaps, matches, dry pasta products, toilet tissue, outboard motorboats of fiberglass, peanuts...

Section 19 (1) of the *Exchange Control Regulations* [CAP. 52] states:

The importation into Belize of-

(a) any notes of a class which are or have at any time been legal tender in Belize; and

(b) any such other notes as may be specified by order of the Central Bank, being notes issued by a bank or notes of a class which are or have at any time been legal tender in any territory; and

(c) any certificate of title to any security, including any such certificate which has been cancelled, and any document certifying the destruction, loss or cancellation of any certificate of title to a security;

and

(d) any Treasury Bill, is hereby prohibited except with the permission of the Central Bank.

- *Are there applicable import duties?* Yes
- *Are there applicable import quotas?* No
- *Are there applicable import barriers?* Yes

E. Manufacturing Requirements

• *Must the product contain ingredients or components, which are found or produced only in the country?*

No, but for the product to be exempted from tax under CARICOM agreements a greater percentage of the raw materials must originate within the country.

• *Will the importation of certain component parts be permitted only if they are to be ultimately incorporated in a final product?* No

F. Product Labeling

• *Are there applicable labeling or packaging requirements (e.g. multi-lingual notices, safety warnings, listing of ingredients, etc.)?*

Yes, but labeling requirements vary depending on the type of product. These basically involve ingredients, expiry date, safety warnings

VII. STRUCTURES FOR DOING BUSINESS

A. Governmental Participation

• *Will the government seek to participate in the ownership or operation of the entity (e.g. depending on the type of activity involved)?*

As long as the business operates within the bounds of the law and does not conduct business which impacts Belizean society negatively (particularly with respect to public utilities), the Government will have no ground for interference.

* *If so, to what extent?* If Government intervention is necessary, this will only be done to the extent warranted by the activities of the business

• *What is the investor's potential liability to partners, investors or others?*
Unlimited generally but may vary based on contract and type of business organization utilized.

• *Are there restrictions on capitalization?* No

- *What are the investor's tax consequences?* Taxes are on income and sales tax (12.5%) is charged on goods and services. Income and business taxes may be applicable; other taxes may apply based on the particular enterprise

B. Joint Ventures

- *Are joint ventures permitted?* Yes
 - *If so, what is the registration or incorporation procedure?* No need for registration they can be created by contract.
- *How long do these procedures take?* N/A
- *What costs and fees are involved?* N/A
- *Must a national of the country or a related state, (e.g. the EEC) be a participant, manager or director?* No
- *What is the investor's potential liability?* Again this will vary based on agreement and business organization utilized.
- *Are there restrictions on capitalization?* No
- *What are the investor's tax consequences?* Taxes are on income and sales tax (12.5%) is charged on goods and services.

C. Limited Liability Companies

- *Are limited liability companies permitted?* Yes
 - *If so, how are they registered or incorporated?* The registration and incorporation of local limited liability companies, loosely referred to as Chapter 250 companies are governed by the Companies Act. Limited Liability Companies are registered and incorporated with relative ease, generally by filing incorporation documents with the relevant registry.

An International Business Company (IBC) is also a limited liability company which may be incorporated in Belize to conduct business outside of Belize, of

which it's the registration and incorporation is governed by the International Business Companies Act. ***Special Features:***

- Only one shareholder required;
- Only one director required which may be a company;
- Shares may be denominated in any currency and may be bearer or registered shares, voting and nonvoting, with or without par value;
- May do any business, which is not prohibited under the laws of Belize and it should be licensed to do banking, insurance, and collective investments.
- Will be able to purchase its own shares and redeem its own shares.
- Cannot own land in Belize nor carry on business as a registered office for companies in Belize.
- Neither can the IBC carry on business with residents of Belize.
- Must have a registered office and Registered Agent in Belize.

As per the INTERNATIONAL LIMITED LIABILITY COMPANIES ACT, 2011,(No. 13 of 2011), There is also the registration and incorporation of an LLC. The Act provides a broad foundation to structure an LLC according to its own rules, rather than being dictated by statute. The operating agreement may contain any provision for the conduct of business that is not contrary to law and relates to the business of the company and the conduct of its affairs. The Act is confined to international LLCs and, as such, only non-residents would be able to form LLCs. There are also restrictions on doing business in Belize. Every LLC shall at all times have a registered agent resident in Belize.

Conceptually, a Limited Liability Company or an LLC is a hybrid between two familiar business structures, namely, a corporation and a partnership. An LLC combines the best of both worlds by offering the advantage of both a corporation and a partnership without the disadvantages of either form. A normal corporate structure, while avoiding unlimited personal liability of shareholders, leads to multilevel taxation of the earnings of the corporation as several countries tax corporate income at both the corporate level and the shareholder level (when the income is distributed to the owners of the company). A limited liability partnership avoids multiple taxation but it does require unlimited liability exposure of at least one general partner. Such exposure to risk is too great for an individual to assume and thus limits the usefulness of partnerships.

- *How long do these procedures take?* The incorporation of an International Business Company (IBC) takes anywhere between one day to a week provided the documents are in order; it may take a bit longer depending on

the circumstances and any due diligence requirements.

The incorporation of local Limited Liability companies, governed by the Companies Act, takes two weeks.

The incorporation of an International Limited Liability company as per the INTERNATIONAL LIMITED LIABILITY COMPANIES ACT, 2011 takes a week.

- *What costs and fees are involved?* In respect to local Limited Liability companies, governed by the Companies Act Fees vary but are not significant and will depend on the share capital. A standard local Limited Liability company with a share capital of 10,000 shares at a par value of \$1.00 per share costs about US\$1,100.00 to incorporation. Upon incorporation you will receive: Certificate of Incorporation, Memorandum & Articles of Association, Minutes of Statutory Meeting, Register of Directors, Return of Allotment, Share Certificates, Register of Members & Common Seal. An Annual Summary/Return becomes due once in each calendar year after incorporation. You may request us to prepare the said Annual Summary at an approximate cost of BZ\$350.00 (US\$176.55) inclusive of Legal fees and filing fees only.

In respect to International Business Company (IBC), the fees associated with the standard incorporation (share capital US\$50,000.00 divided into 50,000 shares of US \$1.00 each) are as follows:

US \$150.00	License Fee
US \$ 150.00	Annual Registered Agent Fee
US \$ 150.00	Annual Registered Office Fee
US \$ 80.00	Corporate Embossed Seal
US \$ 85.00	Courier Fee (US & Canada) & bank charges
US \$500.00	Legal Fees
US \$250.00	Bank Account application
US \$1,365.00	TOTAL

Annual fees, due at the beginning of each year, will be US \$400 as per below:

US \$150.00	License Fee
US \$150.00	Annual Registered Agent Fee
US \$150.00	Annual Registered Office Fee
US \$450.00	TOTAL

In respect to International Limited Liability company, the Probable_charges

for incorporation of LLC are:

US\$200 - Registration Fee

US\$150 - Annual Registered Office Fee

US\$150 - Annual Registered Agent Fee

Type of Document or Service Fees in US\$

1. Registration of International Limited Liability Company \$150.00
2. With Operating Agreement as Exhibit \$200.00
3. Amendment of Articles of Organization \$100.00
4. Restated Articles of Organization \$ 50.00
5. Merger or Consolidation \$250.00
6. Renewal Fee \$150.00
7. Late Fee up to 3 months from anniversary date \$ 15.00
8. Late fee after 3 months \$ 75.00
9. Restoration after failure to pay fees after 1 year \$150.00
10. Certificate of Good Standing \$ 25.00
11. Voluntary Filings \$ 25.00

• *Must a national of the country or a related state be a participant, manager or director?* No. In respect to local Limited Liability companies, governed by the Companies Act, central bank approval will be required for Non-Belizean shareholders.

Both the International Business Company (IBC) and the International Limited Liability Company, can only be formed, owned and incorporated by non-residents.

• *Are there restrictions on capitalization?* No

What are the investor's tax consequences? In respect to local Limited Liability companies, governed by the Companies Act, Income and business taxes may be applicable; other taxes may apply based on the particular enterprise.

In respect to the International Business Company (IBC), section **130.**-(1) *International Business Companies Act*, CAP. 270 Notwithstanding any provision of the Income and Business Tax Act, but subject to the provisions of this section,

- (a) all income of a company incorporated under this Act;
- (b) all dividends or other distributions paid by the company to persons who are not resident in Belize;

(c) all interest, rent, royalties, compensations and other amounts paid by the company to persons who are not persons resident in Belize; and

(d) capital gains realized with respect to any shares, debt obligations or other securities of a company incorporated under this Act by persons who are not persons resident in Belize,

are exempt from all provisions of the Income and Business Tax Act, Cap. 55.

In respect to the International Limited Liability company, The Act exempts LLCs from taxes, duties and exchange control in Belize except that an instrument relating to a transfer of property situate in Belize, including any shares in a local company, shall not be exempt from stamp duty.

D. Liability Companies, Unlimited

* *What are the forms of liability companies?* Public and Private Companies

* *How are these companies registered or incorporated?* It is registered by the appropriate Registrar who issues a certificate of incorporation after procedure has been complied.

* *How long do these procedures take?* It can be done in a week's time.

* *What costs and fees are involved?* Costs vary and are subject to change

* *Must a national of the country be a participant, manager or director?* No

E. Partnerships, General or Limited

• *Are partnerships recognized or permitted?* Yes

• *Must a national of the country or related state be a partner?* No

• *If so, to what extent?* N/A

• *What costs and fees are involved?* Cost and fees are not significant and may vary

• *What is the investor's potential liability?* He is personally liable for all acts

done in the name of the partnership save in the circumstances of a limited liability partnership where he is not involved in the direct management of the business.

- *What are the investor's tax consequences?* Personal income tax and business tax are the major taxes.

F. Partnerships, Undisclosed

- *Do undisclosed partnerships exist?* There are no provisions for undisclosed partnership in our laws.
- *If so, how are they formed?* N/A
- *What costs and fees are involved?* N/A
- *Must a national of the country or a related state be a participant, manager or director?* N/A
- *What is the investor's potential liability?* N/A
- *What are the investor's tax consequences?* N/A

G. Sole Proprietorships

- *Can the investor be a sole proprietor?* A foreigner can enter into a sole ownership business. A foreigner can be a sole proprietor by forming and owning a one man limited liability company as per the COMPANIES (AMENDMENT) ACT 2013 or registering a Business name under the Business Name Act CAP.204 of the laws of Belize.
- *How is the sole proprietorship registered or established?* If his business is not conducted in his own name he must register the name of the business under the Business Name Act CAP.204 of the laws of Belize. Furthermore, he can form a limited one man limited liability company as per the COMPANIES (AMENDMENT) ACT 2013
- *How long does this process take?* Registration of the business name should take no more than one week. Incorporation of the limited liability company as per the COMPANIES (AMENDMENT) ACT 2013 should take two weeks.

What costs and fees are involved? Registration fees are minimal, fees and costs associated with the business will vary depending on the type and nature of the business. The cost of a standard registration of a business name is US\$350.00.

In respect to the one man local Limited Liability companies, governed by the Companies Act Fees vary but are not significant and will depend on the share capital. A standard local Limited Liability company with a share capital of 10,000 shares at a par value of \$1.00 per share costs about US\$1,100.00 to incorporation. Upon incorporation you will receive: Certificate of Incorporation, Memorandum & Articles of Association, Minutes of Statutory Meeting, Register of Directors, Return of Allotment, Share Certificates, Register of Members & Common Seal. An Annual Summary/Return becomes due once in each calendar year after incorporation. The said Annual Summary has an approximate cost of BZ\$350.00 (US\$176.55) inclusive of Legal fees and filing fees only.

What is the investor's potential liability? He is personally liable for all debts incurred by the business.

Are there restrictions on capitalization? No

What are the investor's tax consequences? Business taxes may be applicable; other taxes may apply based on the particular enterprise.

H. Subsidiaries/Branches/Representative Offices

• *Can the investor establish a branch, subsidiary or representative office?* Yes, foreign Companies can have a place of Business in Belize with a registered agent. They can be registered in Belize as an overseas company. The following information must be submitted to the Companies Registry for an overseas company to be registered in Belize:

1. A certified copy of the charter, statute or memorandum and articles, of the company or other instruments constituting or defining the constitution of the company, and if the instrument is not written in the English language, a certified translation thereof, and with any amendments thereto, and a certified copy of the Certificate of Incorporation.
2. The name, address, occupation and nationality of the secretary of the company.

3. The name, address, occupation and nationality of each director of the company.

4. The name, address and occupation of a person resident in Belize authorized to accept on behalf of the company service of process and any other notices required to be served on the company.

5. An address in Belize where the company will be carrying on its business. In the absence of a registered office, we would allow temporary use of our address.

Upon Registration, a Certificate of Registration of the overseas company is issued by the Registrar of Companies; An Annual Balance Sheet (without a profit and loss statement) becomes due once in each calendar year after registration. An approximate annual cost for the same is BZ\$760.00 (US\$383.36) inclusive of Legal fees, Filing fees, Registered Office and Registered Agent fee.

- *If so, how long does registration or incorporation take?* The process takes about two weeks. An attorney or an accountant is normally used. The Company is required to maintain accounting records for a minimum of five (5) years. Indicate the name and address of the place where the accounting records will be kept, whether within or outside of Belize. In the event of a change, you are required to notify us within 14 days of such change, in default your company may be struck from the register.

- *What costs and fees are involved?* The fees range from U.S\$1,000.00 to U.S\$ 2,500.00

- *What is the investor's potential liability?* The Company can be sued and can sue in its name.

- *Must a national of the country be a participant, manager or director?* There is no requirement for a Belizean to be a part of the company.

- *Are there restrictions on capitalization?* No

- *What are the investor's tax consequences?* Income and business taxes may be applicable; other taxes may apply based on the particular enterprise.

- *Are these tax consequences different than those of a local company?* No

I. Trusts and other Fiduciary Entities

- *Are trusts or other fiduciary entities recognized? Yes*
- *If so, how are each defined? These are governed by contractual trust instrument, there is also provision for formation of International Trusts and International Foundations. There is also the registration of ships and mortgages.*

International Trusts:

Belize's Trust legislation incorporated some advanced, new features unavailable in the trust laws of most other countries of the world. The law requires that the Trust be registered in Belize and the Trust must have a Trust Agent who is a licensed Financial Service provider in Belize. The register of Trust may only be inspected with the written consent of the Trustee. Once a trust is created under the laws of Belize, a Belizean Court cannot vary or set aside the trust. Nor can a Belizean Court recognize the validity of any claim against the trust property pursuant to the order of a foreign court in respect of marriage or divorce, succession or claims by creditors in insolvency. The effect of this is to protect the trust even against the Bankruptcy Law and the Reciprocal Enforcement of Judgments Law or the law relating to fraudulent transfers that could - if your trust was not in place - be used to reach such assets. The International Trust or Exempt Trust as it is called in Belize offers particular tax advantages, provided two conditions are met. If in a particular year neither the creator of the trust nor the beneficiaries is resident in Belize; and the trust property does not include any land located in Belize the trust will then be exempt from payment of income tax, succession tax on death and stamp duty on transactions relating to such trusts.

International Foundations:

Recently enacted in Belize, the International Foundations Act (No. 2 of 2010) combines the best of both worlds. It replicates in a common law jurisdiction like Belize, the essential characteristics of a civil law foundation while avoiding unnecessary complications. A foundation established under Belize law will prove to be an ideal vehicle for asset protection purposes for use by investors from both common law and civil law countries. The Act seeks to make the foundation more user friendly, in effect, a hybrid between an IBC and a trust. This is achieved by provisions that seek to facilitate and enhance efficient but discrete registration, renewal, striking off, restoration, dissolution, continuance and discontinuance of foundations, as is currently

the case with the IBC's and the IBC Registry. International Foundation is a foundation where:

- The founder is not resident in Belize
 - The beneficiaries of the foundation are not resident in Belize
 - The foundation endowment does not include any land situated in Belize or the shares of any company beneficially owning any land situated in Belize.
- Registered International Foundations can enjoy full exchange control and tax exemptions

The International Merchant Marine Registry of Belize (IMMARBE)

Belize became a member state of the International Maritime Organization (IMO) in 1990. This organization has adapted highest practicable standards in matters concerning maritime safety, efficiency of navigation and prevention and control of marine pollution from ships. Belize has been included on the IMO White List based on full and complete compliance with the STCW 95. The audit of Belize under the Voluntary IMO Member State Audit Scheme (VIMSAS) was undertaken from October 7 to 14, 2013. VIMSAS creates a basis to assess the degree to which a Member State (Flag, Port and Coastal) complies with its obligations set out in the various IMO instruments made mandatory by the ratification by the State. IMMARBE is an entity structured under the Ministry of Finance and Economic Development and functions as the maritime administration of Belize. On behalf of the Government of Belize, IMMARBE is charged with the delivery of the range of responsibilities and services associated with a maritime flag administration, The procedures and activities concerning registration of ships and relevant obligations and requirements applicable to all ships. IMMARBE is governed under the auspices of the Merchant Ships (Registration) Act 2010. The management of the IMMARBE fleet is also done in compliance with the various applicable international legislative regulations, conventions and standards.

- *What are the legal consequences of a transfer of assets to a trust or fiduciary?* Transfer tax applicable on value of assets. The legal title would be vested in the trust or fiduciary that would hold the assets on trust for the beneficiary.

- *Can the investor be the grantor, trustee or beneficiary?* Yes

VIII. REQUIREMENTS FOR THE ESTABLISHMENT OF A BUSINESS

A. *Alien Business Law*

- *Is the business subject to any alien business law?* No, however, non-residents

are required to obtain central bank approval if they want to own shares in a local limited liability company or own land in Belize.

Part III Securities Section 8 (2) of the Exchange Control Regulations stipulates that Exchange Control permission must be obtained where non-residents want to form companies under the Companies Act (Chapter 250 of the laws of Belize).

Section 40 of the Exchange Control Regulations stipulates that Exchange Control permission must be obtained where a non-resident is involved in any transaction relating to the transfer by way of sale, exchange, gift or mortgage of any land, buildings or other hereditaments situated in Belize.

The Central Bank's permission is required for the following;

- c) Any sale of land situate in Belize by a resident to a non-resident
- d) Any purchase of land situate in Belize by a non-resident to a resident

Also Pursuant to Part III, Anti-Money Laundering and Anti-Terrorism Supervision, Section 15(3) (1) (d) (iii) states that reporting entities shall take reasonable measure to establish their client source of funds. Depending on the request, The Central Bank reserves the right to request any additional information as deemed necessary for the processing of the application.

• *Are there registrations or reporting requirements?* Yes, local limited liability companies, International Business companies and International Limited Liability companies need to be registered; a Business name must be registered as well as per the Business names act; other businesses require Trade license or practicing certificate. The local limited liability companies and overseas companies are required to maintain accounting records for a minimum of five (5) years. Indicate the name and address of the place where the accounting records will be kept, whether within or outside of Belize. In the event of a change, you are required to notify us within 14 days of such change, in default your company may be struck from the register. The local limited liability companies and overseas companies registered under the Companies Act are required to file An Annual Summary/Return once in each calendar year after incorporation in the companies' registry.

Also overseas companies registered under the Companies Act are required to file an Annual Balance Sheet (without a profit and loss statement) once in each calendar year after registration in the companies' registry.

International Limited Liability companies shall at all times have a registered agent resident in Belize. Any person licensed by the International Financial Services Commission to provide company formation and management services would be eligible to act as a registered agent for LLCs. International Limited Liability companies are required to maintain accounting records for a minimum of five (5) years. Indicate the name and address of the place where the accounting records will be kept, whether within or outside of Belize.

International Business companies must have a registered office and Registered Agent in Belize and International Business companies are required to maintain accounting records for a minimum of five (5) years. Indicate the name and address of the place where the accounting records will be kept, whether within or outside of Belize.

B. *Antitrust Laws*

- *Do the entity's operations comply with anti-trust laws? No (but there are discussion with respect to implementing antitrust provisions).*
- *Are there filing requirements? N/A*

C. *Environmental Regulations*

- *Is the business of the investor subject to environmental regulation? Yes. Investors are subject to the *Environmental Protection Act [CAP. 328]*.*

For example:

Section 20(1) states any person intending to undertake any project, programme or activity which may significantly affect the environment shall cause an environmental impact assessment to be carried out by a suitably qualified person, and shall submit same to the department for evaluation and recommendations.

Section 23.01(1) states Where the Department of Environment has determined that a project, programme or activity may not have a significant impact on the environment but may have some negative impact that need to be properly studied and assessed, the Department may require that a limited level environmental study be carried out by a suitably qualified person who shall submit such study to the Department for its approval.

Section 71 states The Department of Environment may impose financial assurances, performance bonds or guarantees as a condition for the grant of environmental clearance, licences, permits or otherwise under the provisions of this Act or any regulations made thereunder.

- *If so, are there added costs involved (e.g. audit requirements)?* Yes, the Tourism Board, Audubon Society and the Ministry of Natural Resources and environment and other NGO's have environmental law and policies that must be followed; compliance may require additional costs to be incurred by the investor but these are generally not significant.

D. Government Approvals

- *Are government approvals required for the anticipated business?* No, government approval is not required. However, the business, dependent on its type and activity, may require licenses, permits, and environmental clearance from the respective government authorities in order to conduct its business. For example: a hotel license, liquor license, a dock permit, a trade license, a gun license, a gaming license and a forestry license. The business must also be registered at the respective tax departments: Income and Business Tax, and the Department of General Sales Tax. The business must also be registered at the Social Security office.

- *If so, how long does this process take?* N/A

- *What fees are involved?* N/A

E. Insurance

- *Must the enterprise carry insurance?* No obligatory, but it is highly recommended. If the business is one of carriage, insurance is required for the use of all motor vehicles on a public road.

- *If so, what kind of risks must be insured?* Motor Vehicle

Section 3(1) of the *Motor Vehicles Insurance [CAP. 231]* states that subject to this Act, no person shall use, or cause or permit any other person to use, a motor vehicle on a public road unless there is in force in relation to the use of the motor vehicle by that person or that other person, as the case may be,

such a policy of insurance in respect of third party risks as complies with the requirements of this Act.

Section 4(1) In order to comply with the requirements of this Act, a policy of insurance must be a policy which,

- (a)* is issued by a person who is an insurer;
- (b)* insures such person, persons or classes of persons as may be specified in the policy in respect of any liability which may be incurred by him or them in respect of the death or bodily injury to any person or damage to any property caused by or arising out of the use of the motor vehicle on a public road; and
- (c)* insures such person, persons or classes of persons as may be specified in the policy in respect of any statutory liability which may be incurred by him or them under the provisions of this Act relating to the payment of the benefits mentioned in section 5, but such a policy shall not be required to cover,
 - (i)* liability in respect of the death arising out of and in the course of his employment of a person in the employment of a person insured by the policy or of bodily injury sustained by such a *ii*) except in the case of a motor vehicle in which passengers are being carried for hire or reward or by reason of or in pursuance of a contract of employment, liability in respect of the death of or bodily injury to persons being carried in or upon or entering or getting on to or alighting from the motor vehicle at the time of the occurrence of the event out of which the claims arise;
 - (iii)* any contractual liability;
 - (iv)* liability for death or bodily injury in excess of fifty thousand dollars in respect of any one claim by any one person;
 - (v)* liability for death or bodily injury in excess of two hundred thousand dollars in respect of the total claims arising from any one accident;
 - (vi)* liability in excess of twenty thousand dollars for damage to any property, arising from any one accident;
- (vii)* liability for damage to the motor vehicle or to property owned by or in control of those insured. person arising out of and in the course of his employment;

(2) Notwithstanding anything in any enactment, rule of law or the common

law, a person issuing a policy of insurance under this section shall be liable to indemnify the persons or classes of persons specified in the policy in respect of any liability which the policy purports to cover in the case of those persons or classes of persons.

- *Is there a state monopoly on insurance?* No, there are several insurers dealing in general or life and health insurance, and motor vehicle insurance.

F. Licenses/Permits

- *Are licenses or permits required for the anticipated activity?* A trade license is required and the requirements for permits vary based on the enterprise. For example: a hotel license, liquor license, a dock permit, a trade license, a gun license, a gaming license and a forestry license.
- *If so, how does the investor apply for and receive the necessary license or permit?* By application to the local authority.
- *How long does it take to receive the license or permit?* A trade license takes about 1 – 2 days, timelines tend to vary with respect to other permits or licenses. A hotel license takes 2 to 3 weeks. A liquor licenses takes 4 weeks.

IX. OPERATION OF THE BUSINESS

A. Advertising

- *Are there restrictions on advertising?* No, but the general principles with respect to advertising are applicable.

B. Attorneys

* *Is it necessary to have local counsel?* No, it is not a requirement but it is highly recommended and necessary.

* *How can local counsel be found?* The internet and the telephone directory yellow pages. Also, attorneys can be found listed as members of different organizations, for example, Chambers and Partners directory, International

Trademark Association directory, Belize Offshore Practitioners Association, or the Belize Bar Association.

- *How much are attorneys' fees?* Attorneys fees vary mainly based on the time spent, nature of the matter, experience and qualifications of the attorney, the urgency or gravity of the matter and comparable fees. The Attorney and client may agree as to the amount and manner of payment which may be a gross sum, percentage, commission, retainer, contingency fee or otherwise.

C. Bookkeeping Requirements

- *Must the investor keep local books of accounts?* Yes, for income and business tax purposes. It is recommended that a qualified Accountant is retained for such purposes.

- *In what form must the investor keep accounts (e.g. GAP, in what language, etc.)?* General accounting formats are acceptable however the required format may vary depending on the nature of the business. These are to be kept in English.

The ACCOUNTING RECORDS (MAINTENANCE) ACT 2013, Section 3 (1) states that Notwithstanding anything to the contrary contained in any other enactment, every entity shall, in addition to any records required to be kept or maintained under any other enactment, keep its accounting records within Belize at its registered office or, as the case may be, at the office of its registered agent in Belize, or at such other place within or outside Belize as may be determined by its directors or other competent persons:

Provided that where the accounting records of an entity are kept outside Belize, such entity shall provide its registered agent in Belize, with a written record of the physical address of the place(s) where the accounting records are kept and notify the registered agent of any change thereto within fourteen (14) days.

(2) It shall be the duty of the registered agent to obtain accounting records from wherever they are kept and provide the same to the competent authority in Belize upon request within the time specified in such request.

The accounting records required to be kept under this Act shall be accurate and reliable and shall correctly explain and document all financial transactions so as to enable each financial transaction of the entity to be properly constructed and understood, to enable the financial position of the entity to be determined with reasonable accuracy at any time and also to enable the preparation of financial statements for such entity. All accounting

records required to be kept under this Act shall be prepared, stored and maintained in a retrievable manner so that they are easily accessible within a reasonable time frame and readily available to comply with any court orders; requests for exchange of information; to facilitate directives regarding disclosure of information or confiscation of assets; to facilitate or in furtherance of a criminal investigation; and to ensure compliance with relevant laws and regulations.

ENTITIES TO WHICH THIS ACT APPLIES

Companies incorporated or registered under the following Acts:

CAP 250- Companies Act (including overseas companies registered under this Act

CAP 270 -- International Business Companies Act,

CAP 271-- Protected Cell Companies Act.

13 of 2011--- International Limited Liability Companies Act.

2 of 2010 ---Foundations established under the International Foundations Act.

CAP 268 ---Mutual funds registered under the Mutual Funds Act and any other persons licensed under this Act.

CAP 269--- International insurers registered under the International Insurance Act and any other persons licensed under this Act.

CAP 202 ---Domestic trusts and international trusts registered under the Trusts Act and the trustees of such trusts.

CAP 259 ---Partnerships formed under the Partnerships Act.

CAP 258-- Limited liability partnerships registered under the Limited Liability Partnerships Act.

CAP 315 ---Non governmental organisations registered under the Non Governmental Organisations Act.

D. Business Ethics/Codes

• *Are there certain business ethics or codes, which the investor must follow (e.g. GAAP for accountants, etc.)?* These apply only in terms of professional organizations, such as accounting, and law. For accountants, in order for a person to be a member of the Institute of Chartered Accountants of Belize and be entitled to a practicing certificate, he must

(a) satisfy the Council of the Institute that he has been continuously a member in good standing of the Institute or of another recognised accounting body for a period of not less than two years;

- (b) he satisfies the Council of the Institute as to his professional competence; and
- (c) his application for a practicing certificate is accompanied by the prescribed fee

E. Consumer Protection Laws

- *Are there consumer protection laws, which apply to the investor's operations?* Belize has laws such as the Standards Act, Shops Act, Sale of Goods Act, Hire Purchase Act, Weights & Measures Act, Public Health Act, Public Safety Act, and Supplies Control Act which deal with consumer protection regulation. A Consumer Protection Bill has been drafted and is under consideration to be passed into law.

F. Construction

- *What are the costs of construction?* This will vary based on the nature, size and type of construction but is usually calculated per sq ft. Also location of the premises, type of topography affects the cost of construction.

**Are permits required for construction?* Yes particularly in urban areas. Any person who proposes to construct or demolish a building, shall send or cause to be sent to the Central Building Authority an application for a permit to build or demolish.

The Central Building Authority (CBA) is enabled by the Belize Building Act which is an act to control building operations in the interest of public health and safety. The CBA performs the following functions: Plan review and no-objections to building permit applications, Site inspections, Issue permits for moveable buildings, Review and provide no-objection to reports on the safety of public buildings, Inspect buildings, and if found to be dangerous, recommend for demolition, Develop new, and enforce existing building regulations, Provide guidance and information, Provide technical support for the development of policy with respect to buildings, Promote public awareness of building related issues

**How is authorization to construct obtained?* By application to the Central Building Authority and local authorities. Every application for a permit to build shall be made in writing and shall be accompanied by such drawings,

descriptions, calculations and specifications as the Local Building Authority or the Director may require on a prescribed form.

OTHER DOCUMENTS REQUIRED

(1 copy only required)

PUC Approved electrical design

Approval of Sewage Disposal System (*Ministry of Health*)

Environmental Compliance Plan (*where applicable*)

Letter of "No Objection", from other relevant authorities depending on the nature of the construction. ☑ Land Document for Lease or Title

Evacuation Plan with evacuation route demarked (*if structure is to be used as a public building.*)

The Building Inspector shall Process the application and Ensure that all instructions and/or requirements of the Application Form and the CBA Checklist have been met. CBA reserves the right to request design calculations for all submissions.

If the requirements have been met:

It will be entered in a register.

CBA will carry out any investigation and/or query that may be necessary.

Applicant shall then pay an Application Fee according to the Application Fee Schedule issued by the CBA.

The Director or a Local Building Authority shall, within thirty days, or such other period as may be specified in regulations made for that purpose, reply to the applicant either by issuing a permit or rejecting the application.

A permit shall be granted in the case of a permit for the construction of a building, if, the Director is satisfied that the operations involved will be conducted in accordance with the building regulations, and that nothing in any plan, specification or other information submitted with the application shows that the building when constructed will fail to conform to the building regulations.

How long does it take to receive authorization? 1 – 4 weeks but may vary.

What fees are involved? Fees vary depending on the size of the building and its nature i.e. whether it is for commercial or residential purposes, its location and soil typography.

G. Contracts

- *Can the investor freely enter into local contracts? Yes*
- *Can the law of another country govern the contracts? Yes*

H. Price Controls

- *Are there applicable price controls? Generally there are no price controls, however there is a Supplies Control Act but this only applies to limited products such as fuel. The cost of utilities is also regulated by the Public utilities Commission.*

The SUPPLIES CONTROL (PRICES) REGULATIONS do set out the maximum wholesale and retail prices of goods enumerated in the First or Second Schedule of the Regulations. It further states that except with the written permission of the Controller of Supplies no person shall, in connection with any sale of price controlled goods, impose or attempt to impose any conditions as to the purchase of any other goods, or as to the giving of any consideration other than the permitted purchase price No person shall, without written permission granted by or on behalf of the Controller of Supplies, or otherwise than in accordance with the conditions attached to such permission (if granted) sell or buy, or agree to sell or buy, or attempt or offer to sell or buy, any price-controlled goods mentioned in any part of the First or Second Schedule hereto at a price higher than the maximum selling price permitted by these Regulations, or otherwise in contravention of these Regulations, or any conditions or requirements imposed, thereunder.

I. Product Registration

- *Must the entity register its product? Registration is not necessary but one may register trademarks and patents*
- *If so, how is registration obtained? Registration of patents and trade marks is done by application to the Belize Intellectual Property Office.*

Belize now provides for the filing of original application for registration of trademarks without reference to United Kingdom registrations. Trade Marks

are registered for a period of ten (10) years and may be renewed at the expiration of that period for an additional ten (10) year period.

An application claiming priority may be filed in Belize within six (6) months of the date of filing in the convention country. Certification marks and collective marks may also be registered.

An application for registration of a trade mark must be accompanied by an authorization form and six representations of the mark to be filed. After submittal of application for registration, the mark will be published in three fortnightly issues of the Intellectual Property Journal and Certificate of Registration issued within two weeks of the last publication.

We enclose herewith for your convenience our authorization form, instruction sheet and schedule of charges for trademark. The instruction sheet and authorization form are to be completed and returned to us upon your request for filing an application for registration of a trade mark in Belize.

The cost including legal fees for the registration of a trade mark is US\$530.00. The probable time frame for registration is twelve (12) weeks provided all the documents are in order and the Registry does not need to revert to us for amendments.

We bring to your attention the entry into force on January 5th, 2001 of the Patents Act No. 14 of 2000, and Patents Regulations 2000. The Paris Convention of March 20, 1883 as last revised and classifications as per the Strasbourg Agreement of March 24, 1971, the Patent Corporation Treaty of June 9th, 1970, the regulations made thereunder and the Administrative Instructions made under the regulations are given full force and effect by the new statute.

All patents previously registered in Belize will remain in force for the unexpired period of twenty (20) years after registration subject to payment of annuities in each year on anniversary of filing.

Patents are granted for inventions which may relate to product or a process which is new, involves an inventive step and is capable of industrial application.

Every application for a patent must contain a request, description, one or more claims, drawings, abstract, specification, name and particulars of

applicant, statement of ownership, title of the invention, agents name and address and the matter for which protection is sought.

An application may contain a declaration claiming priority under the Paris Convention of one or more earlier national, regional or international applications filed in a convention state or any member of the World Trade Organization.

Every applicant not ordinarily resident in Belize must be represented by an Attorney-at-Law licensed to practice law in Belize

- *How long does the process take?* Generally 3-4 weeks for patents. The probable time frame for registration of a trademark is twelve (12) weeks provided all the documents are in order and the Registry does not need to revert to us for amendments

- *Are there fees involved?* Yes. The cost including legal fees for the registration of a trade mark is US\$530.00.
 - Application for address of service US\$13.00
 - _ Application to register mark in one class US\$38.00
 - _ Certificate of Registration US\$38.00
 - _ Publication of notice of application US\$127.00

Patents:

1. Application for Grant of Patent:

For filing application for patent US\$151.00

- Grant of Patent US\$151.00
- Application for Address of Service US\$26.00
- Publication of Patent US\$127.00

Complete application in first instance in name of inventor, or of an assignee or joint applicants, including normal prosecution, payment of official fee, reporting publication of application and search report, if all required documents and information received by us before filing. US\$400.00

2. Claiming each convention priority US\$20.00

3. Searches

- inspection of register US\$50.00
- in respect of each additional patent at the same time US\$15.00
- name index search US\$75.00
- each additional name searched at same time US\$15.00

J. Reductions or Return on Capital

- *Can capital be repatriated while the corporation is still ongoing? Yes*

In respect to local limited liability companies, **Section 46(1)** of the Companies Act states that A company limited by shares may, by special resolution confirmed by an order of the court, modify the conditions contained in its memorandum so as to reorganise its share capital, whether by the consolidation of shares of different classes or by the division of its shares into shares of different classes,

Provided that no preference or special privilege attached to or belonging to any class of shares shall be interfered with except by a resolution passed by a majority in number of shareholders of that class holding three-fourths of the share capital of that class and confirmed at a meeting of shareholders of that class in the same manner as a special resolution of the company is required to be confirmed, and every resolution so passed shall bind all shareholders of the class.

Section 48(1) of the Companies Act states that Subject to confirmation by the court, a company limited by shares, if so authorized by its articles, may by special resolution reduce its share capital in any way, and in particular (without prejudice to the generality of the foregoing power) may,

(a) extinguish or reduce the liability on any of its shares in respect of share capital not paid up;

(b) either with or without extinguishing or reducing liability on any of its shares, cancel any paid-up share capital which is lost or unrepresented by available assets; or

(c) either with or without extinguishing or reducing liability on any of its shares, pay off any paid-up share capital which is in excess of the wants of the company,

and may, if and so far as is necessary, alter its memorandum by reducing the amount of its share capital and of its shares accordingly.

(2) A special resolution under this section is in this Act called “a resolution for reducing share capital”.

Section 49 of the Companies Act states that where a company has passed and confirmed a resolution for reducing share capital, it may apply by petition to the court for an order confirming the reduction.

K. Sale of Goods

Are there restrictions on the manner, time or place of sale of goods? No, except for liquor which is regulated by the Sale of Goods Act and the Intoxicating Liquor Licensing Act. For example:

Section 9(1) of the Intoxicating Liquor Licensing states that it shall not be lawful for any person to sell liquor in a restaurant licensed under this Act except to a customer buying a full meal therein and consuming the liquor with the meal

Section 27(1) of the Intoxicating Liquor Licensing states that All licensed premises in which liquor is sold under a publican's general licence shall be closed (a) on Christmas Day and Good Friday;

(b) on Saturdays between the hours of eleven o'clock in the night and seven o'clock in the morning of the following Monday;

(c) on all other days, between the hours of ten o'clock in the night and seven o'clock in the morning of the following day, and no liquor shall be sold or delivered from those premises at any time during the period when they are required to be closed by this section.

(2) All licensed premises in which liquor is sold under a malt liquor and cider licence shall be closed,

(a) on Christmas Day and Good Friday;

(b) on Saturdays between the hours of eleven o'clock in the night and ten o'clock in the morning of the following Sunday; c) on Sundays between the hours of two o'clock in the afternoon and seven o'clock in the morning of the following Monday;

(d) on all other days between the hours of eleven o'clock in the night and seven o'clock in the morning of the following day,

and no liquor shall be sold or delivered on the premises at any time during the period when they are required to be closed by this section.

(3) Any person who during the times at which any licensed premises are required by this section to be closed,

(a) sells or exposes for sale in such premises any liquor;

(b) opens or keeps open such premises for the sale of liquor; or (c) allows any liquor, although purchased before the hours of closing, to be consumed on such premises,

is guilty of an offence.

(4) All premises in which liquor is sold under an hotel licence shall be closed daily between midnight of the one day and seven o'clock in the forenoon on the next day,

Provided that during the visit of any tourist ship to Belize or on the occasion of any dance, ball, or other entertainment at an hotel, the Chairperson of the Licensing Board of any judicial district or area may authorize in writing the

holder of an hotel licence to supply liquor to the tourists or the guests at such dance, ball or entertainment during such hours as may be specified in the authority, and upon obtaining such authority it shall be lawful for the licence holder to keep his premises open for such time beyond the commencement of the closing period as may be specified in the authority.

L. Trade Associations

- *Are there trade associations the investor can or must join?* There is no obligation to join trade associations. However, there are numerous trade and professional associations that the investor can join.
- *If so, are there fees involved?* Yes
- *Are there mandatory trade practices?* No

X. CESSATION OR TERMINATION OF BUSINESS

A. Termination

- *What are the tax consequences of terminating the business?* All taxes and rates owing should be paid up prior to terminating the business, These include the following: business tax, trade license, hotel license, general sales tax, social security contributions, and income tax.

- *What costs are involved in termination?* Company winding up either through court order or voluntarily or winding up subject to the supervision of the court can cost a lot depending on inventory size; the assets owned by the company and the liabilities outstanding if any. The hiring of an accountant and liquidator may be necessary, and such may increase the costs of terminating a business.

**How long does it take to terminate the business?* Minimum 3-6 months. If the company has no assets, no inventory, no chattels and no liabilities, then it can simply apply to be struck off the company's registry which only takes 3 weeks and is less costly.

**How is the investor's particular form of business treated in termination?* Company liquidation or winding up.

**Can the business be terminated without government approval or intervention?*

Yes

**What are the obligations toward creditors, employees and others upon termination?* Obligations to these classes of persons must be satisfied in priority.

**What are the tax consequences of termination?* No tax consequence but accrued and outstanding taxes are payable on priority to the claims of creditors.

B. *Insolvency/Bankruptcy*

What is the extent of the investor's liability in the event of insolvency or bankruptcy? Creditors, employees and taxes must be paid up.

Section 37(1) of the *Bankruptcy Act* states that In the distribution of the property of a bankrupt and in the distribution of the assets of any company being wound-up under the provisions of any law in force in Belize relating to companies, there shall be paid in priority to all other debts,

(a) all local rates, land and property or other tax due from the bankrupt or the company at the date of the receiving order or, as the case may be, the commencement of the winding-up and having become due and payable within twelve months next before such time;

(b) all wages or salary of any clerk or servant in respect of services rendered to the bankrupt or the company during four months before the date of the receiving order, or, as the case may be, the commencement of the winding-up not exceeding two hundred and fifty dollars; c) all wages of any labourer or workman, not exceeding one hundred and twenty-five dollars, whether payable for time or piece work, in respect of services rendered to the bankrupt or the company during six months before the date of the receiving order, or, as the case may be, the commencement of the winding-up,

Provided that where any labourer has entered into a contract for the payment of a portion of his wages in a lump sum at the end of the term of hiring, he shall have priority in respect of the whole of such sum or part thereof as the court may decide to be due under the contract proportionate to the time of service up to the date of the receiving order, or, as the case may be, the commencement of the winding-up.

(2) The foregoing debts shall rank equally between themselves, and shall be paid in full, unless the property of the bankrupt is or the assets of the company are insufficient to meet them, in which case they shall abate in equal proportions between themselves.

** What choices, if any, are available to the investor with regard to the restructuring of the business?* No particular restructuring provisions.

XI. LABOR LEGISLATION, RELATION, AND SUPPLY

A. Employer/Employee Relations

- *What laws govern employer/employee relations?* The common law and the Labor Act, which was recently amended in 2011. The Labour Amendment Act of 2011 was passed into law to provide for continuity of employment; to protect workers against unfair dismissal; to establish procedures for termination of contract in a fair and equitable manner; to establish a Labour Complaints Tribunal to hear and determine complaints from workers; and to provide for greater benefits to worker, including better provisions in respect to severance pay.

- *Are there obligations to train employees?* There is no obligation except where the employee is engaged in dangerous occupation or special skills are required to perform tasks safely and competently to prevent injury both to the employee and fellow employees. To ensure productivity the employer usually does so.

B. Employment Regulations

- *Must the investor hire nationals of the country?* He is expected to do so as long as the human resources are available; if they are not, then he can bring in foreign employees who must in turn obtain work permits in order to work in Belize.

- *Is there a minimum wage?* Yes approximately \$3.30 per hour

Statutory Instrument No. 55 The Wages Council (Wages Regulation) (Consolidation) (Amendment) ORDER, 2012, provides for:

- Un-skilled workers employed in the citrus industry in cleaning, picking, transporting, processing and handling of citrus for a minimum wage of **\$3.30** per hour
- For domestic workers employed full-time or part-time from **\$3.10 to \$3.30** an increase of **\$0.20**
- For shop assistance employed full-time or part-time (excluding students who may be employed outside of school hours or during school vacation in premises covered by the shops act) **\$3.10 to \$3.30** an increase of **\$0.20**

Statutory Instrument No. 56 Wages Regulations (Manual Workers) (Amendment) ORDER, 2012, provides for:

- Manual Workers except for those who are engaged in agriculture, agro-industry or export oriented industries from **\$3.10 to \$3.30** and increase in **\$0.20**.
- Manual Workers engaged in agriculture, agro-industry or export oriented industries from **\$2.50 to \$3.30** an increase of **\$0.80**.

- *Is there a maximum number of hours an employee can work each week?*
Maximum is 45 hours but there is provision for overtime pay.

Section 116.—(1) of the Labour Act states that No worker shall be obliged to work on more than six days in any week or for more than nine hours of actual work in any day or forty-five hours of actual work in any week.

(2) The gross weekly wages of workers shall not be reduced as a result of the reduction of the maximum weekly working hours and any overtime hours shall be calculated by using the gross weekly wages for a forty-five hour week as the ordinary rate of pay.

Section 118(1) of the Labour Act states that If any worker works for and at the request of his employer on a public holiday or a Sunday or other agreed rest day or for more than nine hours in any day or forty-five hours in any week, he shall be paid wages for such extra work at the following rates,

- (a) on Christmas Day, Good Friday, and Easter Monday - at a rate of not less than double his ordinary rate of pay;
- (b) on public holidays other than those set out in paragraph (a) hereof - at a rate of not less than one and one-half times his ordinary rate of pay;
- (c) on Sundays or other agreed rest days - at a rate of not less than one and one-half times his ordinary rate of pay; andd) for hours worked in excess of nine hours in any day or forty-five

hours in any week - at a rate of not less than one and one-half times his ordinary rate of pay.

(2) In the case of workers remunerated by the piece or by the task and who are subject to continuous supervision, the expression ordinary rate of pay shall for the purposes of this section be deemed to be the piece-rate or the task-rate.

- *Is there a minimum number of vacation and sick days to be given?* Vacation – 2 weeks; sick days with pay-16 days.

Section 131.—(1) of the Labour Act states that Where any worker who has been employed by the same employer for an aggregate period of not less than sixty days in the preceding twelve months falls ill while in the employment of the said employer, and the illness was not caused by his own default or misconduct, the employer shall grant to the said worker, at his request, sick leave with pay for a period of up to sixteen working days in any twelve months and the employer shall pay the worker in respect of any such period of sick leave at the rate corresponding to his total remuneration over the last sixteen days of his employment with him.

(2) Where the worker, if required to do so by the employer, fails within forty-eight hours of such written request to produce a certificate from a registered medical practitioner certifying to his illness and the duration thereof, he shall not be entitled to sick leave with pay. (3) In the absence of agreement, no worker shall be entitled to claim sick leave with pay for more than sixteen days in any period of twelve months.

(4) In the case of a worker who is entitled to sickness benefits under this section as well as under the Social Security Act, Cap. 44 such worker shall receive payment under the Social Security Act, Cap. 44 and in addition be entitled to be paid by his employer the following payments,

(a) in respect of the first three days of illness payment equivalent to three days' basic wages;

(b) in respect of the next thirteen days of illness payment of the difference between such percentage of the worker's insurable earnings as may be fixed from time to time and his basic rate of pay for the corresponding period; and

(c) payment thereafter in accordance with the Social Security (Sickness Benefits) provisions unless more favourable conditions are provided for in any contract of employment or collective agreement.

C. Hiring and Firing Requirements

- *Must the investor employ a minimum number of people?* No, it depends on the

type of business to be carried on.

- *Must the investor employ a minimum number of nationals?* No, same as above
- *Must nationals hold certain positions in the company?* No.

* *Are there rules to follow in hiring/dismissing personnel (e.g. notice)?* Yes, these are set out accordingly in the Labor Act or by terms of contract provided contractual terms are not less favorable than statutory provisions.

In respect to hiring personnel, the personnel must be placed in a probationary period upon hiring. The “probationary period” means the period not exceeding six months that may be designated as such by an employer pursuant to sections 29A. **Section 29A(1)** of the Labour Act states that Notwithstanding any agreement to the contrary, the first two weeks of any employment under the contract shall be deemed to be probationary employment and may be terminated at will by either party without notice.

(2) Notwithstanding any agreement to the contrary, where agreement is reached between the employer and the worker for a probationary period which exceed two weeks, the worker is entitled to any benefits which he may accrue during the probationary period if the employment is terminated by either party.

In respect to dismissing personnel, personnel can be dismissed with notice if there is no good and sufficient cause to do so. **Section 37(1)** of the Labour Act states that The notice of the termination of a contract of employment for an indefinite period may be terminated either by the employer or by the worker, without assigning reason therefor, by giving to the other the notice for the period specified in subsection(2) of this section.

(2) Where the worker has been in the employment of the same employer continuously, the period of notice shall be as follows,

<u>Period of Employment</u>	<u>Notice Period Required</u>
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For more than 2 weeks but not more than 6 months	One week
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For more than 6 months but not more than 2 years	Two weeks
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For more than 2 years but not more than 5 years	Four weeks
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More than 5 years

Eight weeks

An employer is entitled to dismiss summarily without notice or without payment of any severance or redundancy allowance or terminal benefit, any worker who commits an act of gross misconduct.

An employer may dismiss the worker or the worker may abandon service of the employer, without giving notice and without any liability to make payment, if there is good and sufficient cause for such dismissal or abandonment of service.

**Does the investor have a continuing obligation towards dismissed employees?*
Not after payment of appropriate severance and accrued benefits.

D. Labor Availability

- *Is adequate skilled or unskilled labor available for the anticipated business?*
There is a large pool of unskilled labor and the adequacy of skilled labor depends on the type of business.

E. Labor Permits

- *Are labor permits required?* Yes if the business is hiring non-residents. Nonresidents are required to obtain work permits from the labor department. The work permit is good for one year and can be renewed for another year.

- *If so, how are they obtained?* By application to the Labour Department, and an interview process which occurs on Wednesdays only. If the applicant is an employee, the applicant must visit the Labour Department with the following documents: completed application with 3 passport size pictures, full copy of his passport, his original passport for viewing, processing fee receipt of \$25.00, police record, resume, and job letter from employer. Both applicant and employer must go together for the interview.

If the applicant is a self-employed person who owns his own business/company, the applicant must visit the Labour Department with the following documents: completed application with 3 passport size pictures, full copy of his passport, his original passport for viewing, processing fee receipt of \$25.00, police record, resume, copies of corporate registration/incorporation documents, a copy of the business bank account

statement from local bank in Belize, and a copy of the business license for the business/company. The applicant must go through an interview at the Labour Department who will pose questions relating to the business, type and nationality of employees, nature of the business etc.

- *How long does the process take?* Approximately 3-4 weeks
- *What fees are involved?* Fees vary

F. Safety Standards

- *Are there safety codes that must be followed?* Yes, there are safety and health standards that need to be complied with and these are covered in the Public Safety Act, Public Health Act, and Quarantine Act,

G. Unions

- *Are unions recognized?* Yes
- *What are the unions in the investor's business?* Trade Unions and Employer's Organizations
- *What are these unions' political affiliations, if any?* None
- *Is there an obligation on the part of the employer to organize unions?* No
- *Are there mandatory collective bargaining agreements for the business involved?* No

XII. TAX ON CORPORATIONS

A. Allowances

- *What are the major allowances (e.g. capital cost depreciation)?* Business tax on gross income now applies

Section 12(1) of the Income and Business Tax Act states that In ascertaining the chargeable income of any person engaged in a trade, business, profession

or vocation, there shall be allowed as a deduction a reasonable amount for exhaustion by wear and tear of any industrial building, any qualifying hotel building, and any plant and machinery owned by him arising out of the use or employment of such industrial building or qualifying hotel building or of such plant or machinery for the purpose of his trade, business, profession or vocation during the basis year, in the manner and, as regards industrial buildings or qualifying hotel buildings.

- *What are the major deductible items?*

See <http://www.incometaxbelize.gov.bz/> for details

In ascertaining the chargeable income of any person engaged in a trade, business, profession or vocation, there shall be allowed as a deduction a reasonable amount for exhaustion by wear and tear of any industrial building, any qualifying hotel building, and any plant and machinery owned by him arising out of the use or employment of such industrial building or qualifying hotel building or of such plant or machinery for the purpose of his trade, business, profession or vocation during the basis year, in the manner and, as regards industrial buildings or qualifying hotel buildings.

In ascertaining the chargeable income of a person who proves to the satisfaction of the Commissioner that during the basis year he has made several absolute and immediate gifts aggregating two hundred and fifty dollars or over or one or more absolute and immediate gift or gifts of the value of two hundred and fifty dollars or over, taking effect in Belize, for ecclesiastical, charitable, educational, or cultural purposes or for the improvement of amenities in towns or villages, there shall be allowed a deduction of the amount of such gifts.

Section 11(1) of the Income and Business Tax Act states that For the purpose of ascertaining the chargeable income of any person other than an employed person, there shall be deducted all *bona fide* expenses wholly and exclusively incurred during the basis year by such person other than an employed person in the production of the income, including,

(a) any sums paid by such person as,

(i) interest upon any money borrowed by him, where the Commissioner is satisfied that the interest was payable on capital employed in acquiring the income; or

(ii) interest upon any money borrowed by him for the acquisition of shares in a company carrying on business in Belize;

(b) rent paid by any tenant of land or buildings occupied by him for the purpose of acquiring the income; or

(c) where any person engaged in any trade, business, profession or vocation has expended any sum in replacing any plant or machinery which was used or employed in such trade, business, profession or vocation, and which has become obsolete, an amount equivalent to the cost of the machinery replaced, after deducting from that such sum as shall represent the total depreciation which has occurred by reason of exhaustion by wear and tear since the date of purchase of the plant machinery and any sum realised by the sale thereof;

(d) any sum expended to the satisfaction of the Commissioner on re-forestation of any timber land with a view to making good any depletion caused by the felling of timber thereon;

(e) any sum expended for repair of premises, plant and machinery employed in acquiring the income, or for the renewal, repair or alternation of any implement, utensil or article so employed;

(f) bad debts incurred in any trade, business, profession or vocation proved to the satisfaction of the Commissioner to have become bad during the basis year, and doubtful debts to the extent that they are respectively estimated to the satisfaction of the Commissioner to have become bad during the said year notwithstanding that such bad or doubtful debts were due and payable prior to the commencement of the said year; however, all sums recovered during the basis year on account of amounts previously written off or allowed in respect of bad or doubtful debts shall for the purposes of this Act be treated as receipts of the trade, business, profession or vocation for that year;

(g) in the case of a non-resident, so much of the expenditure in the nature of head office expenditure, as is not in excess of two and a half per cent of its gross receipts;

(h) any sum expended of,

(i) in establishing or developing an industry approved by the Minister as being to the benefit of Belize; or

(ii) for a purpose approved by the Minister as being for the welfare of the public or a particular section thereof;

(i) such other deductions as may be prescribed by any rule made under this Act.

• *What are the major expenses that are excluded from deductibility?*

No deductions shall be allowed in respect of,

(a) domestic or private expenses;

(b) any disbursements or expenses not being money wholly and exclusively laid out or expended for the purpose of acquiring the income upon which income tax is payable;

(c) any capital withdrawn or any sum employed or intended to be employed as capital;

(d) any capital employed in improvements, alterations or additions except as provided in paragraphs (d) and (h) of section 11(1) of this Act.

(e) any sum recoverable under an insurance or contract of indemnity; (f) rent of or cost of repairs to any premises or part of premises not paid or incurred for the purpose of producing the income;

(g) any amount paid or payable in respect of the United Kingdom income tax or surtax or Commonwealth income tax as defined by this Act.

B. Calculation of Taxes

How is the taxable base determined? Variable, see <http://www.incometaxbelize.gov.bz/>

1) Commencing from the first day of the basis year 1999 and for each subsequent year, the tax upon the chargeable income of any person other than an employed person shall be charged at the rate of twenty-five *per centum* of the amount of the chargeable income.

2) Subject to this Part, there shall be levied upon and paid by every individual, self-employed person, professional, firm, partnership or company (whether corporate or unincorporated) a tax to be known as "business tax" at the rates specified in section 107 of this Act, on all receipts as defined in this Part, whether received in Belize or elsewhere. Section 107 states that Commencing from July1, 1998 and for each subsequent month the tax on the receipts shall be levied at the rates set out from time to time in the Ninth Schedule to this Act.

NINTH SCHEDULE

INCOME AND BUSINESS TAX ACT

Rates of Tax

(a) Receipts from radio, on-air television and newspaper business.....0.75%

(b) Receipts from domestic airline business.....1.75%

(c) (i) Receipts of service stations from the sale of fuel.....0.75%

(ii) Receipts from service stations from the sale of all other items1.75%

(d) Receipts from other trade or business.....1.75%

(e) Rents, royalties, premiums and any other receipts from real Property(excluding the receipts from Real Estate business).....3%

- (f) Receipts from a profession, vocation occupation.....6%
- (g) Receipts of an insurance company licensed under the Insurance Act.....1.75%
- (h) Commissions, royalties, discounts, dividends, winnings from lotteries, slot machines and table games.....15%
 Provided that in the case of commissions of less than \$25,000.00 per annum, the rate shall be5%
- (i) Interest on loans paid to non-residents15%
- (j) Receipts of a financial institution licensed under the Banks and Financial Institutions Act Cap. 263.....15%

C. Capital Gains

- What are the federal or national tax rates on capital gains? None
- What are the regional or state taxes on capital gains? None
- What are the municipal or local taxes on capital gains? None

D. Filing and Payment Requirements

- When must the corporation file its tax return, if any? Monthly
- When must the corporation pay its taxes? Monthly
- Are taxes paid in installments or annually? Monthly

E. Miscellaneous Taxes Due

- Is there a tax on capital? No
- Is there a business license tax? Yes
- Is there an apprenticeship tax? No

- *Is there a training tax?* No
- *Are there other taxes?* Yes for example: Property tax, general sales tax, income tax.
 - *What are the filing and payment requirements?* Payments are annually for Property taxes.

Income tax shall, shall be charged at the rate of twenty-five *per centum* upon the chargeable income of any person accruing in or derived from Belize, whether received in Belize or not in respect of,

(a) in the case of a person other than an employed person, the gains or profits from any trade, business, profession or vocation, for whatever period of time such trade, business, profession or vocation may have been carried on or exercised;

(b) in the case of an employed person, gains or profits from any employment, including the estimated annual value of any quarters or board or residence or of any other allowance granted in respect of employment whether in money or otherwise, but not including,

(i) payment for any passage to or from Belize for the purpose of leave granted in respect of the employment, up to a maximum of one month's basic salary; or (ii) any allowance granted for the purchase of uniform or the value of any uniform supplied by the employer;

(c) any pension, charge or annuity. Income Tax shall be charged, levied and collected for each year of assessment upon the chargeable income of any person for the basis year.

There shall be levied upon and paid by every individual, self-employed person, professional, firm, partnership or company (whether corporate or unincorporated) a tax to be known as "business tax" at the rates specified in section 107 of this Act, on all receipts as defined in this Part, whether received in Belize or elsewhere. Section 107 states that Commencing from July 1, 1998 and for each subsequent month the tax on the receipts shall be levied at the rates set out from time to time in the Ninth Schedule of the Income and Business Tax Act. "Receipts" means all revenues, whether in cash or in kind, or whether received or accrued, of a person or entity carrying on trade or business or practicing his or its profession or vocation in Belize without any deduction, and includes,

(a) rents, royalties, premiums and any other revenue receipts arising from property;

(b) commissions, royalties and discounts;
(c) dividends, interest including interest from investments, debentures, bills, bonds and notes

Every person or entity who is liable to be taxed under this Part shall file a return of total receipts by the 15th day following the end of every month, or at such other times as may be specified, in a form prescribed by the Commissioner and accompanied by payment of the estimated tax due for that period

The rate of General Sales Tax applicable to a taxable supply or importation is 12.5% on a supply of goods or services. A supply of goods or services shall be treated as taking place at the earlier of the time when, (a) an invoice for the supply is issued by the supplier; or (b) any of the consideration for the supply is received. A registered person of General Sales tax shall, in respect of supplies made by him, account for and pay tax for each tax period or part thereof during which the person is registered. Every person shall, within the time required by this section, furnish to the Commissioner a GST return, in a form approved by the Commissioner and signed by the person, relating to the tax period during which he was a registered person.

F. Registration Duties

• *Are there registration duties due upon the incorporation of a company? Yes*

• *Are there registration duties due upon an increase in capital? Yes*

Where a company having a share capital, whether its shares have or have not been converted into stock, has increased its share capital beyond the registered capital, and where a company not having a share capital has increased the number of its members beyond the registered number, it shall give to the Registrar, in the case of an increase of share capital within fifteen days after the passing, or in the case of a special resolution the confirmation, of the resolution authorising the increase, and in the case of an increase of members within fifteen days after the increase was resolved on or took place, notice of the increase of capital or members, and the Registrar shall record the increase

• *Are there registration duties due upon the transfer of the company's shares?*

Yes

The instrument of transfer of any share in the company shall be executed

both by the transferor and transferee, and the transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof

Every company shall, within two months after the allotment of any of its shares, debentures or debenture stock, and within two months after the registration of the transfer of any such shares, debentures or debenture stock, complete and have ready for delivery the certificates of all shares, the debentures, and the certificates of all debenture stock allotted or transferred, unless the conditions of issue of the shares, debentures, or debenture stock otherwise provide

- *Are there registration duties due upon a transfer of corporate assets? Yes*
- *Are there any other registration duties due? Yes for example:*

Every company having a share capital shall once at least every year make a list of all persons who, on the fourteenth day after the first or only ordinary meeting in the year, are members of the company, and of all persons who have ceased to be members since the date of the last return or (in the case of the first return) of the incorporation of the company.

Every company shall keep a register of its members and enter therein the following particulars:-

- (a) The names and addresses of the members, and the occupation, if any, and in case of a company having a share capital, a statement of the shares held by each member, distinguishing each share by its number, and of the amount paid or agreed to be considered as paid on the shares of each member;
- (b) The date at which each person was entered in the register as a member;
- (c) The date at which any person ceased to be a member.

In respect to local limited liability companies formed under the Companies Act, there is a requirement to file An Annual Summary/Return which becomes due once in each calendar year after incorporation. The said Annual Summary has an approximate cost of BZ\$350.00 (US\$176.55) inclusive of Legal fees and filing fees only. There are also the following fees:

Annual Registered Office Fee US\$75.66

Annual Registered Agent Fee US\$151.33

In respect to overseas companies which are then registered in Belize, there is a requirement to file An Annual Balance Sheet (without a profit and loss statement) which becomes due once in each calendar year after registration. You may prepare and forward the said Balance. This balance sheet must be filed along with file An Annual Summary/Return. An approximate annual cost for the same is BZ\$760.00 (US\$383.36) inclusive of Legal fees, and Filing. There are also the following fees:

Annual Registered Office Fee US\$75.66

Annual Registered Agent Fee US\$151.33

Money on account of costs US\$300.00

G. Sales Tax or other Turnover Tax

- *What is the system of sales tax (e.g. V.A.T., cumulative)?* General Sales Tax

The rate of General Sales Tax applicable to a taxable supply or importation is 12.5% on a supply of goods or services. A supply of goods or services shall be treated as taking place at the earlier of the time when, (a) an invoice for the supply is issued by the supplier; or (b) any of the consideration for the supply is received. A registered person of General Sales tax shall, in respect of supplies made by him, account for and pay tax for each tax period or part thereof during which the person is registered. Every person shall, within the time required by this section, furnish to the Commissioner a GST return, in a form approved by the Commissioner and signed by the person, relating to the tax period during which he was a registered person.

- *Is input tax creditable against output tax?* Yes

- *What are the tax rates?* 12.5 %

- *What are the filing and payment requirements?* Monthly. A GST return shall be furnished to the Commissioner at the address specified on the form,

- (a) within fifteen days after the end of the tax period to which it relates; or

- (b) where the person ceases to be registered during a tax period, within fourteen days after the person ceases to be registered, or within such further time as the Commissioner may, in writing allow.

A form approved by the Commissioner shall include particulars of the amount of tax payable, or the refund due, in respect of the tax period concerned, the

registered person's TIN, and may include such other particulars as the Commissioner sees it, which may differ according to the circumstances in which the form is to be used.

H. Social Security and Welfare System Contributions

- *Are social security contributions due? Yes*

A contribution refers to Social Security payment due for any eight hours or more of work in a contribution week. A Social Security contribution week is from Monday to Sunday.

It is payable for all employees who are over fourteen years and under sixty five years for each contribution week during the whole or any part of which such person is employed in insurable employment. The employer is liable to pay the total contribution due, both his or her own share and the share deducted from the employed person's salary.

- *Are retirement or pension contributions due? Yes*

In order for a Long-Term Benefit to be paid, there are contribution conditions to be met. Payments for these benefits can be in the form of pensions or grants, determined by the number of accumulated paid contributions to the scheme. The Long-Term Benefits Branch provides coverage for: Retirement, Survivor's, Invalidation and Non-Contributory Pension outlined as follows.

Retirement Benefit (Grant or Pension) is paid to insured persons who are 65 years of age (and older) or 60 to 64 and not employed.

Survivor's Benefit (Grant or Pension) is paid to the widow/widower, children or parents of a deceased insured person whose death was not caused by a work-related injury.

Invalidity Benefit (Grant or Pension) is paid to insured persons under 60 years who are medically certified by Social Security Medical Board as permanently unable to do any type of work because of an illness.

Non Contributory Pension (NCP) is a monthly pension of \$100.00 paid to females 65 years of age or older OR males 67 years of age or older who have no source of income or inadequate means of support.

- *Are unemployment insurance contributions due? No.*

- *What are the filing and payment requirements for any such contribution?*

Monthly. The contributions are payable by the employer by the 14th day of each month for the previous month. The monthly contribution statement (FIN15A) is also due by the 14th day of each month for the previous month and must be submitted together with the contribution payment.

I. Special Tax Schemes

- *Are there particular tax consequences of doing business in the country?*
Business tax must be paid.

NINTH SCHEDULE
INCOME AND BUSINESS TAX ACT

Rates of Tax

- (a) Receipts from radio, on-air television and newspaper business.....0.75%
- (b) Receipts from domestic airline business.....1.75%
- (c) (i) Receipts of service stations from the sale of fuel.....0.75%
- (ii) Receipts from service stations from the sale of all other items1.75%
- (d) Receipts from other trade or business.....1.75%
- (e) Rents, royalties, premiums and any other receipts from real Property (excluding the receipts from Real Estate business).....3%
- (f) Receipts from a profession, vocation occupation.....6%
- (g) Receipts of an insurance company licensed under the Insurance Act.....1.75%
- (h) Commissions, royalties, discounts, dividends, winnings from lotteries, slot machines and table games.....15%
- Provided that in the case of commissions of less than \$25,000.00 per annum, the rate shall be5%
- (i) Interest on loans paid to non-residents15%
- (j) Receipts of a financial institution licensed under the Banks and Financial Institutions Act Cap. 263.....15%

J. Tax on Profits

- *What are the federal or national income tax rates on profits?* See above. The tax to be known as “business tax” is, on all receipts, whether received in Belize or elsewhere.
- *What are the regional or state tax rates on profits?* N/A
- *What are the municipal or local tax rates on profits?* N/A

K. Tax Treaties

- *Are there any applicable tax treaties?* Yes, UK/Belize, Belize / CARICOM double taxation treaties and Tax Information Exchange Treaties

Belize has double taxation agreements with the following countries:

- CARICOM,
- Antigua & Baruda,
- Barbados,
- Dominica,
- Grenada,
- Guyana,
- St Christopher & Nevis,
- Jamaica,
- St Lucia,
- St Vincent,
- The Grenadines,
- Trinidad,
- Tobago,
- Switzerland,
- [UK/Belize Double Tax Treaty](#). UK/Belize Double Taxation Arrangement, 19 December 1947, amended by Supplementary Arrangements made on 8 April 1968 and 12 December 1973.

The list below contains the Tax Information Exchange Agreements (TIEAs) signed by Belize.

- [France - Belize](#) (22 November 2010)
- [Ireland - Belize](#) (18 November 2010)
- [Portugal - Belize](#) (22 October 2010)
- [Finland - Belize](#) (15 September 2010)
- [Norway - Belize](#) (15 September 2010)
- [Iceland - Belize](#) (15 September 2010)
- [Denmark - Belize](#) (15 September 2010)
- [Greenland - Belize](#) (15 September 2010)
- [Faroes Islands - Belize](#) (15 September 2010)
- [Sweden - Belize](#) (15 September 2010)

- [Australia - Belize](#) (31 March 2010)
- [United Kingdom - Belize](#) (25 March 2010)
- [Belgium - Belize](#) (29 December 2009)

Republic of South Africa (7th June, 2014)

- *Are there any rules against treaty-shopping?* No

L. Territoriality Rules

- *Where is the corporation subject to tax?* Only subject to taxation in Belize if income arises in Belize
- *Is the corporation subject to tax on its worldwide income?* No, only on income arising in Belize.

M. Treatment of Tax Losses

- *How are corporate tax losses treated?* These are carried forward.

N. Wealth Tax

- *Is there an applicable wealth tax?* No

O. Withholding Taxes

- *What are the rates of withholding tax on dividends?* 15% (but if payable to a non-resident there is a charge of 25% withholding tax.)

Commissions, royalties, discounts, dividends, winnings from lotteries, slot machines and table games.....15%

- *What are the rates of withholding tax on royalties?* 15%

What are the rates of withholding tax on interest? None, (but if payable to a non-resident there is a charge of 15% withholding tax.)

What are the rates of withholding tax on profits realized by a foreign corporation? None, corporation pays tax in Belize in the normal course of business.

There shall be levied on all gross contract payments a withholding tax at the rate of three *per centum* of such payments. Contract” means a contract awarded to or to be performed by a self-employed person, professional or entity for the carrying out of works or services, or for the supply of labour or materials

XIII. TAX ON INDIVIDUALS

A. Allowances

• *What are the major allowances?* \$19,600, \$22,600, \$24,600 and \$25, 600 per annum based on respective earnings and charity (up to 1/6 of chargeable income). In ascertaining the chargeable income of an employed individual who is resident in Belize, there shall be allowed a basic deduction in the following amounts,

(a) in the case of an employed individual whose total income in a basis year from all sources does not exceed twenty six thousand dollars ----- \$25,600.00.

(b) in the case of an employed individual whose total income in a basis year from all sources exceeds twenty six thousand dollars but does not exceed twenty seven thousand dollars-----
-----\$24,600.00.

(c) in the case of an employed individual whose total income in a basis year from all sources exceeds twenty seven thousand dollars but does not exceed twenty nine thousand dollars-----
----- \$22, 600.00.

(d) in the case of all other employed individuals -----\$19,600.00

(2) Any employed individual who is resident in Belize and whose total income in a basis year from all sources is less than twenty thousand dollars shall not be chargeable to tax in that year.

(3) A deduction of \$100.00 as a tax credit shall be allowed from the total tax payable of all residents.

Section 11(1) of the Income and Business Tax Act states that For the purpose of ascertaining the chargeable income of any person other than an employed

person, there shall be deducted all *bona fide* expenses wholly and exclusively incurred during the basis year by such person other than an employed person in the production of the income, including,

(a) any sums paid by such person as,

(i) interest upon any money borrowed by him, where the Commissioner is satisfied that the interest was payable on capital employed in acquiring the income; or

(ii) interest upon any money borrowed by him for the acquisition of shares in a company carrying on business in Belize;

(b) rent paid by any tenant of land or buildings occupied by him for the purpose of acquiring the income; or

(c) where any person engaged in any trade, business, profession or vocation has expended any sum in replacing any plant or machinery which was used or employed in such trade, business, profession or vocation, and which has become obsolete, an amount equivalent to the cost of the machinery replaced, after deducting from that such sum as shall represent the total depreciation which has occurred by reason of exhaustion by wear and tear since the date of purchase of the plant machinery and any sum realised by the sale thereof;

(d) any sum expended to the satisfaction of the Commissioner on re-forestation of any timber land with a view to making good any depletion caused by the felling of timber thereon;

e) any sum expended for repair of premises, plant and machinery employed in acquiring the income, or for the renewal, repair or alternation of any implement, utensil or article so employed;

(f) bad debts incurred in any trade, business, profession or vocation proved to the satisfaction of the Commissioner to have become bad during the basis year, and doubtful debts to the extent that they are respectively estimated to the satisfaction of the Commissioner to have become bad during the said year notwithstanding that such bad or doubtful debts were due and payable prior to the commencement of the said year; however, all sums recovered during the basis year on account of amounts previously written off or allowed in respect of bad or doubtful debts shall for the purposes of this Act be treated as receipts of the trade, business, profession or vocation for that year;

(g) in the case of a non-resident, so much of the expenditure in the nature of head office expenditure, as is not in excess of two and a half per cent of its gross receipts;

(h) any sum expended of,

(i) in establishing or developing an industry approved by the Minister as being to the benefit of Belize; or

(ii) for a purpose approved by the Minister as being for the welfare of the public or a particular section thereof;
(i) such other deductions as may be prescribed by any rule made under this Act.

In ascertaining the chargeable income of any person engaged in a trade, business, profession or vocation, there shall be allowed as a deduction a reasonable amount for exhaustion by wear and tear of any industrial building, any qualifying hotel building, and any plant and machinery owned by him arising out of the use or employment of such industrial building or qualifying hotel building or of such plant or machinery for the purpose of his trade, business, profession or vocation during the basis year, in the manner and, as regards industrial buildings or qualifying hotel buildings.

B. Calculation of Taxes

• *How is the taxable base determined?*

Income tax shall, shall be charged at the rate of twenty-five *per centum* upon the chargeable income of any person accruing in or derived from Belize, whether received in Belize or not in respect of,

(a) in the case of a person other than an employed person, the gains or profits from any trade, business, profession or vocation, for whatever period of time such trade, business, profession or vocation may have been carried on or exercised;

(b) in the case of an employed person, gains or profits from any employment, including the estimated annual value of any quarters or board or residence or of any other allowance granted in respect of employment whether in money or otherwise, but not including,

(i) payment for any passage to or from Belize for the purpose of leave granted in respect of the employment, up to a maximum of one month's basic salary; or (ii) any allowance granted for the purchase of uniform or the value of any uniform supplied by the employer;

(c) any pension, charge or annuity. Income Tax shall be charged, levied and collected for each year of assessment upon the chargeable income of any person for the basis year.

In respect to the self-employed person/professional, the tax is not on profits anymore. There shall be levied upon and paid by every individual, self-

employed person, professional, firm, partnership or company (whether corporate or unincorporated) a tax to be known as “business tax” at the rates specified in section 107 of this Act, on all receipts as defined in this Part, whether received in Belize or elsewhere. Section 107 states that Commencing from July1, 1998 and for each subsequent month the tax on the receipts shall be levied at the rates set out from time to time in the Ninth Schedule to this Act.

NINTH SCHEDULE
INCOME AND BUSINESS TAX ACT

Rates of Tax

- (a) Receipts from radio, on-air television and newspaper business.....0.75%
- (b) Receipts from domestic airline business.....1.75%
- (c) (i) Receipts of service stations from the sale of fuel.....0.75%
- (ii) Receipts from service stations from the sale of all other items1.75%
- (d) Receipts from other trade or business.....1.75%
- (e) Rents, royalties, premiums and any other receipts from real Property (excluding the receipts from Real Estate business).....3%
- (f) Receipts from a profession, vocation occupation.....6%
- (g) Receipts of an insurance company licensed under the Insurance Act.....1.75%
- (h) Commissions, royalties, discounts, dividends, winnings from lotteries, slot machines and table games.....15%
- Provided that in the case of commissions of less than \$25,000.00 per annum, the rate shall be5%
- (i) Interest on loans paid to non-residents15%
- (j) Receipts of a financial institution licensed under the Banks and Financial Institutions Act Cap. 263.....15%

C. Capital Gains Tax

- *Are capital gains taxable?* No

D. Filing and Payment Requirements

- *When must the individual file a tax return, if any?* Within the first 3 months of the following year.
- *When must the individual pay his/her taxes?* PAYE – Pay As You Earn

E. Inheritance and Gift Tax

- *Does the individuals' presence in the country subject him/her to inheritance or gift tax?* No
- *What kinds of assets are subject to tax?* None, only assets as part of a trade. Estate duty was abolished in 1991
- *What are the tax rates?* They vary depending on assets.
- *Are allowances available?* Yes
- *What are the payment and filing requirements?* File at the end of the year

F. Miscellaneous Taxes Due

- *What are the miscellaneous taxes to which the individual may be subject?* Indirect taxes.
- *What are the filing and payment requirements?* None

G. Real Estate/Habitation Tax

- *Is the individual subject to real estate or habitation tax?* 1% on the annual rental value or property. Real Property is subject to property taxes.

There shall be raised, levied, collected and paid annually a land tax on the declared unimproved value of land as provided in this Act. The unimproved

values for different categories of land for taxation purposes shall be as set out in the Fourth Schedule below

FOURTH SCHEDULE, LAND TAX ACT

Declared Unimproved Values Per Acres (Sections 2 and 21)

CATEGORIES DISTRICTS AND DECLARED UNIMPROVED PER ACRES VALUE

CATEGORIES	COROZAL AND ORANGE WALK	CAYO	BELIZE	STANN CREEK	TOLEDO
AGRICULTURAL 30 acres or less	\$100	100	100	100	50
31 to 300 acres	\$500	550	600	500	100
301 acres and above	\$600	650	700	600	300
SUBURBAN	\$1,000	1,000	1,500	700	500
BEACHES AND CAYES	\$10,000		10,000	10,000	5,000
VILLAGE LOTS (ONE ACRE AND LESS)	\$1,000	1,000	1,000	1,000	500

The Minister may, with the consent of the National Assembly, if he thinks fit in the interest of the development of Belize, exempt either wholly or in part any land from the tax Act for a term of years on such conditions as to him seem just and proper.

Payments are annually for Property taxes.

(1) All taxes imposed shall be paid by and recoverable from the owner of the land in respect whereof the same are chargeable and shall be deemed to become due on the first day of April in respect of the twelve calendar months beginning on that date and shall be paid to the Commissioner of Lands and Surveys.

(2) If any tax remains unpaid after the due date, a sum equal to one per cent of the amount in arrears shall be added thereto per month commencing from the last day in the month in which it becomes due and continuing until the date of payment.

(3) Where the tax is paid by the due date, a discount equivalent to five percent of tax shall be granted to the taxpayer.

H. Sales Tax

- *Does the individual pay sales tax? Yes, at point of consumption or sale (12.5%)*

I. Social Security and Welfare System Contributions

- *Are contributions to social security due? Yes*

A contribution refers to Social Security payment due for any eight hours or more of work in a contribution week. A Social Security contribution week is from Monday to Sunday. It is payable for all employees who are over fourteen years and under sixty five years for each contribution week during the whole or any part of which such person is employed in insurable employment. The employer is liable to pay the total contribution due, both his or her own share and the share deducted from the employed person's salary.

A self-employed person for Social Security's purposes is a person gainfully occupied in employment in Belize who is not an employed person, is between the ages of 18 and 60 years, and has opted to join the Social Security Scheme. Contributions to the Social Security Fund are paid solely by the Self Employed Insured Person for each week in respect of his employment. The amount payable is 7% of the weekly income declared by him subject to a minimum income of fifty-five dollars per week and a maximum income of three hundred and twenty dollars per week.

- *Are contributions to the welfare system due? No*
- *If so, what are the payment and filing requirements? N/A*

J. Stock Option, Profit Sharing and Savings Plans

- *Is there taxation of stock option plans?* N/A
- *Is there taxation of profit sharing plans?* N/A
- *Is there taxation of savings plans?* N/A

K. Taxation of Benefits in Kind

- *What is the rate of taxation on benefits in kind (e.g. automobile, housing and utilities, education, etc.)?* 25%

L. Taxes on Dividends

- *Are dividends taxable regardless of their form?* Yes

M. Tax on Income

- *What are the federal or national tax rates on income for residents?* National tax of 25% after basic deductions.
- *What are the federal or national tax rates on income for non-residents?* They are treated no different from residents once their income is taxable.
- *What are the regional or state tax rates on income for residents?* N/A
- *What are the regional or state tax rates on income for non-residents?* N/A
- *What are the municipal or local tax rates on income for residents?* N/A
- *What are the municipal or local tax rates on income for non-residents?* N/A

N. Tax Treaties

- *Are there any applicable tax treaties?* Yes, Double taxation treaties and Tax Information Exchange Treaties.

For example:

INCOME TAX (AVOIDANCE OF DOUBLE
TAXATION) (CARICOM) ACT, CHAPTER 56
Avoidance of Double Taxation etc.,
AGREEMENT AMONG
THE GOVERNMENTS OF THE MEMBER STATES OF
THE CARIBBEAN COMMUNITY FOR THE AVOIDANCE
OF DOUBLE TAXATION AND THE PREVENTION OF
FISCAL EVASION WITH RESPECT TO TAXES ON IN-
COME, PROFITS OR GAINS AND CAPITAL GAINS AND
FOR THE ENCOURAGEMENT OF REGIONAL TRADE
AND INVESTMENT

ARRANGEMENT BETWEEN
HIS MAJESTY'S GOVERNMENT AND
THE GOVERNMENT OF BRITISH HONDURAS (BELIZE)
FOR THE AVOIDANCE OF DOUBLE TAXATION AND
THE PREVENTION OF FISCAL EVASION
WITH RESPECT TO TAXES ON INCOME, AND
SUPPLEMENTARY ARRANGEMENTS
Entry into Force: 21 January 1948.

Belize has double taxation agreements with the following countries:

- CARICOM,
- Antigua & Baruda,
- Barbados,
- Dominica,
- Grenada,
- Guyana,
- St Christopher & Nevis,
- Jamaica,
- St Lucia,
- St Vincent,
- The Grenadines,
- Trinidad,
- Tobago,
- Switzerland,
- [UK/Belize Double Tax Treaty](#). UK/Belize Double Taxation Arrangement, 19 December 1947, amended by Supplementary Arrangements made on 8 April 1968 and 12 December 1973.

- *Are there any rules against treaty-shopping?* No

O. Territoriality Rules

- *Where is the individual subject to tax?* Where he is resident
 - *Is the individual subject to tax on his/her worldwide income?* No, only the income earned in the country.

P. Wealth Tax

- *Is the individual subject to tax based upon his/her wealth?* No
- *If so, what are the rates?* N/A
- *Are there any allowances available?* N/A
- *What are the payment and filing requirements?* N/A

Q. Withholding Tax

- *Is salary subject to a withholding tax at the source?* Yes
- *What is the treatment of residents as compared to non-residents?* N/A. Same treatment for residents and non-residents

XIV. TAX ON OTHER LEGAL BODIES

A. Allowances

- *What are the major allowances (e.g. capital cost depreciation)?* Yes allowances
 - a) where any person engaged in any trade, business, profession or vocation has expended any sum in replacing any plant or machinery which was used or

employed in such trade, business, profession or vocation, and which has become obsolete, an amount equivalent to the cost of the machinery replaced, after deducting from that such sum as shall represent the total depreciation which has occurred by reason of exhaustion by wear and tear since the date of purchase of the plant machinery and any sum realised by the sale thereof.

b) any sum expended for repair of premises, plant and machinery employed in acquiring the income, or for the renewal, repair or alternation of any implement, utensil or article so employed;

c) in the case of a non-resident, so much of the expenditure in the nature of head office expenditure, as is not in excess of two and a half per cent of its gross receipts;

d) any sum expended in establishing or developing an industry approved by the Minister as being to the benefit of Belize;

e) there shall be allowed as a deduction a reasonable amount for exhaustion by wear and tear of any industrial building, any qualifying hotel building, and any plant and machinery owned by him arising out of the use or employment of such industrial building or qualifying hotel building or of such plant or machinery for the purpose of his trade, business, profession or vocation during the basis year;

f) several absolute and immediate gifts aggregating two hundred and fifty dollars or over or one or more absolute and immediate gift or gifts of the value of two hundred and fifty dollars or over, taking effect in Belize, for ecclesiastical, charitable, educational, or cultural purposes or for the improvement of amenities in towns or villages, there shall be allowed a deduction of the amount of such gifts.

- *What are the major deductible items?* Cost, Salaries, Social Security, Insurance, labor and any other expense incurred in producing the income.

- *What are the major expenses that are excluded from deductibility?* Expenses unrelated to producing income.

For the purpose of ascertaining the chargeable income of any person no deductions shall be allowed in respect of,

(a) domestic or private expenses;

- (b)* any disbursements or expenses not being money wholly and exclusively laid out or expended for the purpose of acquiring the income upon which income tax is payable;
- (c)* any capital withdrawn or any sum employed or intended to be employed as capital;
- (d)* any capital employed in improvements, alterations or additions
- (e)* any sum recoverable under an insurance or contract of indemnity;
- (f)* rent of or cost of repairs to any premises or part of premises not paid or incurred for the purpose of producing the income;
- (g)* any amount paid or payable in respect of the United Kingdom income tax or surtax or Commonwealth income tax

B. Calculation of Taxes

- *How is the taxable base determined?* Gross income less major deductions = chargeable income.

“chargeable income” *is defined in the Income and Business Tax Act to mean,*

- (i)* in the case of an employed person, the aggregate amount of the income from the applicable sources specified in section 5 of the Act remaining after allowing the appropriate deductions and exemptions under this Act, but does not include “receipts” as defined in Part III of this Act; “
- (ii)* in the case of any person other than an employed person, the aggregate amount of the income from the applicable sources specified in section 5 of this Act remaining after allowing the appropriate deductions and exemptions under the Act;

C. Capital Gains

- *What are the federal or national tax rates on capital gains?* N/A
- *What are the regional or state taxes on capital gains?* N/A
- *What are the municipal or local taxes on capital gains?* N/A

D. Filing and Payment Requirements

- *When must the entity file a tax return, if any?* At the end of the year.
- *When must the entity pay its taxes?* PAYE, There shall be levied upon and paid by every individual, self-employed person, professional, firm, partnership or company (whether corporate or unincorporated) a tax to be known as “business tax”
- *Are taxes paid in installments or annually?* Monthly. Every person or entity who is liable to be taxed under this Part shall file a return of total receipts by the 15th day following the end of every month, or at such other times as may be specified, in a form prescribed by the Commissioner and accompanied by payment of the estimated tax due for that period.

E. Miscellaneous Taxes

- *Are other taxes due?* There shall be levied on all gross contract payments a withholding tax at the rate of three *per centum* of such payments. “Contract” means a contract awarded to or to be performed by a self-employed person, professional or entity for the carrying out of works or services, or for the supply of labour or materials, or for such other works or services. “Gross contract payment” means the total contract price without any deduction whatsoever.
- *What are the filing and payment requirements?* Every person who makes or is liable to make any gross contract payment to any person, professional or entity, shall deduct therefrom the amount and shall within fifteen days following the end of every month, render an account and remit the amount so deducted to the Commissioner, and in the event of failure to deduct the amount or render an account as aforesaid, every such amount shall be deemed to be a debt owing from such person to the Government and shall be recoverable as such, together with a penalty of \$100.00 or 10% of the tax due and payable, whichever is greater.

F. Registration Duties

- *Are there registration duties or fees due upon the setting up of the legal body?*
Yes
- *Are there registration duties or fees due upon a change in the capital of the*

legal body? Yes, stamp duty and registration fees payable.

- *Are there registration duties due upon the transfer of capital?* Yes stamp duty and registration fees are payable.
- *Are there registration duties due upon a transfer of assets?* Yes stamp duty and registration fees are payable.
- *Are there any other registration duties due?* Yes

G. Sales Tax or other Turnover Tax

- *Is the legal body subject to sales tax or any other turnover tax (e.g. VAT, cumulative)?* Yes, Sales tax of 12.5%
- *Is input tax creditable against output tax?* Yes
- *What are the tax rates?* 12.5%
- *What are the filing and payment requirements?* Monthly

H. Social Security and Welfare System Contributions

- *Are social security contributions due?* Yes
- *Are retirement or pension contributions due?* These are optional
- *Are unemployment insurance contributions due?* No
- *What are the filing and payment requirements for any such contribution?* Monthly. The contributions are payable by the employer by the 14th day of each month for the previous month.

I. Special Tax Themes

- *Are there particular tax consequences of doing business in the country under the form of the particular legal body?* No

J. Tax on Profits

- *What are the federal or national income tax rates on profits?* Taxes are not on profits For example a registered business name under the Business Names Act or a partnership pays business tax

There shall be levied upon and paid by every individual, self-employed person, professional, firm, partnership or company (whether corporate or unincorporated) a tax to be known as “business tax” at the rates specified in section 107 of this Act, on all receipts as defined in this Part, whether received in Belize or elsewhere. Section 107 states that commencing from July1, 1998 and for each subsequent month the tax on the receipts shall be levied at the rates set out from time to time in the Ninth Schedule to this Act.

NINTH SCHEDULE
INCOME AND BUSINESS TAX ACT
Rates of Tax

- (a) Receipts from radio, on-air television and newspaper business.....0.75%
- (b) Receipts from domestic airline business.....1.75%
- (c) (i) Receipts of service stations from the sale of fuel.....0.75%
- (ii) Receipts from service stations from the sale of all other items1.75%
- (d) Receipts from other trade or business.....1.75%
- (e) Rents, royalties, premiums and any other receipts from real Property (excluding the receipts from Real Estate business).....3%
- (f) Receipts from a profession, vocation occupation.....6%
- (g) Receipts of an insurance company licensed under the Insurance Act.....1.75%
- (h) Commissions, royalties, discounts, dividends, winnings from lotteries, slot machines and table games.....15%
- Provided that in the case of commissions of less than \$25,000.00 per annum, the rate shall be5%
- (i) Interest on loans paid to non-residents15%
- (j) Receipts of a financial institution licensed under the Banks and Financial Institutions Act Cap. 263.....15%

- What are the regional or state tax rates on profits? N/A
- What are the municipal or local tax rates on profits? N/A

K. Tax Treaties

- *Are there any applicable tax treaties?* Yes.
- *Are there any rules against treaty-shopping?* No

L. Territoriality Rules

- *Where is the legal body subject to tax?* When the income is earned
- *Is the legal body subject to tax on its worldwide income?* No only on income earned in Belize.

M. Treatment of Tax Losses

- *How are tax losses treated?* They can be carried forward.

N. Wealth Tax

- *Is there an applicable wealth tax?* No

O. Withholding Taxes

- *What are the rates of withholding tax on the legal body's activities?* No, however if the legal body (for example a partnership or registered business name) enters into a contract there is a withholding tax on that contract. None There shall be levied on all gross contract payments a withholding tax at the rate of three *per centum* of such payments.

(2) The amount levied under subsection (1) of this section, shall operate as a credit against the tax due from the contractor.

(3) For the purpose of this section, “contract” means a contract awarded to or to be performed by a self-employed person, professional or entity for the carrying out of works or services, or for the supply of labour or materials, or for such other works or services . The “gross contract payment” means the total contract price without any deduction whatsoever.

XV. GENERAL TAX CONSIDERATIONS

A. Taxes Generally

- *Is there a generally accepted way of structuring the company or other entity so as to insure the desired tax consequences?* No
- *Is there an advance tax ruling that can be used to validate or invalidate the chosen form of doing business?* N/A
- *Is there a general anti-tax avoidance system?* N/A
- *Can the chosen form of business be treated as a different form for tax purposes?* N/A

XVI. IMMIGRATION REQUIREMENTS

A. Immigration Controls

- *Are there immigration quotas?* No
- *Are vaccinations required?* No
- *Are medical certificates required?* No
- *Are entry permits required?* Yes, if you are not a resident of Mexico, U.S. or Commonwealth countries. . Visas are not required for citizens of the United States and its territories, Canada, United Kingdom and its territories, European Union, Caribbean and Central American countries.
- *If so, must you apply for an entry permit before entering the country?* Yes
- *Are exit permits required?* No

- *Are re-entry permits required? Yes*

B. Immigration Requirements/Formalities

- *Is a residence permit required? No but one can be applied for. The person must have resided in Belize for at least a year for a person to be able to apply for permanent residency.*

- *If so, does the investor have to apply for one before entering the country? No, it can be gotten once in the country.*

- *What information must be supplied to the immigration authorities? A person must present a valid passport upon entry, return ticket and proof of sustenance. To obtain residency, the person must have resided in Belize for at least a year. A person must provide proof of income, An income tax statement for all applicants holding a work permit in respect of the income earned in the year previous to the application, health certificates, police record for self and all adult family members, bank account statement, a copy of person's land title in Belize, Marriage certificate for self; and birth certificates for all family members who are unmarried and without passport, and Three recent passport-size photographs for self, wife and children if they are included. The following documents must be presented for permanent residency:*

1. Copy of RCR for Acceptance (Provided by Immigration Department upon submission)
2. Completed Application form
3. Complete Copy of Passport (*Proof of 1 year residency Requirements in Belize, without leaving the country for more than 14 days*)
4. Police Record (*From Belize*)
5. Medical Certificate, HIV, VDRL and TB results
6. Proof of Employment, e.g. Job Letter or Certificate of Registration of Business (*If Applicable*)
7. Proof of Financial Stability
8. Letter of Financial Support, plus Proof of Financial Stability/Income, Passport, Income Tax Letter for Financial Supporter (*If Applicable*)
9. Income Tax Statement (*From Belize*)
10. Recent Bank Statement (*If Applicable*)
11. Marriage Certificate (*If Applicable*)
12. (3) Passport-size Photographs
13. Social Security Card (*If Applicable*)
14. Contribution History from the Social Security or Declaration Statement

stating non-contribution and why.

Inclusion of Spouse

1. Complete Copy of Passport(*Proof of 1 year residency Requirements in Belize, without leaving the country for more than 14 days*)
2. Police Record (*From Belize*)
3. Medical Certificate, HIV, VDRL and TB results
4. Proof of Employment, e.g. Job Letter or Certificate of Registration of Business(*If Applicable*)
5. Proof of Financial Stability
15. Letter of Financial Support, plus Proof of Financial Stability/Income, Passport, Income Tax Letter for Financial Supporter (*If Applicable*)
6. Income Tax Statement (*From Belize*)
7. Recent Bank Statement (*If Applicable*)
8. Marriage Certificate (*If Applicable*)
9. (3) Passport-size Photographs
10. Social Security Card (*If Applicable*)
11. Contribution History from the Social Security or Declaration Statement stating non-contribution and why

Inclusion of Children

1. Birth Certificate
2. Complete Copy of Passport
3. Police Record (*From Belize*), (*If minor is 12 years and older*)
4. Medical Certificate (*all minors*),HIV, VDRL and TB results (*If minor is 12 years and older*)
5. (3) Passport-size Photographs
6. School Letter
7. Letter of Financial Support

Telephone Number and e-mail address where applicant can be reached:

All copied Documents must be submitted with Original for Proper Certification by the Immigration Department, Documents in Language other than English must be translated by Proper Authority.

* *How long does it take to receive authorization?* Authorization for entry granted upon arrival. That authorization is for 30 days and a person may obtain subsequent extensions. After being 6 months in Belize, such person can then obtain a temporary employment permit which is good for one year and then later apply for permanent residency after the one year is completed. Residency applications take approximately 8 Months.

C. Visas

.Is a visa required for travel or stay in the country? Yes, if you aren't Mexican, a Commonwealth resident or American. Visas are not required for citizens of the United States and its territories, Canada, United Kingdom and its territories, European Union, Caribbean and Central American countries.

While citizens from the European Community do not require visas for travel to Belize, citizens of Bangladesh, Bolivia, Colombia, China, Angola, Brazil, Afghanistan, Lebanon, Cuba, India, Libya, Pakistan, Peru, South Africa and nationals of the former USSR require previous approval for a visa from the Ministry of Human Resources, Department of Immigration.

- *If so, for how long is the visa valid?* 1 visit-3 months, at the discretion of the relevant officer.
- *How does the investor apply for a visa?* Entry visas must be obtained outside of Belize. Belizean Embassy or Consulate For the nearest location to obtain a visa please visit: Belize Consulates and Embassies.

With a valid passport, you can stay in Belize for up to 30 days. In addition, if you wish to stay longer, you can simply obtain an extension for up to six months for US\$25 per month; after six months, the cost increases to US\$50 per month. The extension may be obtained at a Government immigration office in Belize City or Belmopan, or a police station in a remote area. Please note that your passport must be valid up until the time of your departure.

- *What documents are required?* Passport and other documents as may be required
- *How long does it take to receive a visa?* The time can vary depending on when the appointment can be made but generally three weeks maximum.
- *What fees are involved?* \$50.00

XVII. EXPATRIATE EMPLOYEES

A. Cost of Living and Immigration

- *How does the cost of living compare to that in the investor's home country?* As with most developing countries, the cost of living in Belize is lower than in

developed countries.

- *What is the rate of inflation?*

Population

(2016 Mid Year 377,968
Estimate)

Unemployment

Rate 8.0%

(April 2016)

Inflation Rate

(September
2015 to 0.7%

September
2016)

GDP Growth

Rate -1.6%

(Q2 2016)

Infant

Mortality 14/1000

(2011)

Literacy Rate

(2010) 79.7%

***B. Drivers'
Licenses***

- *Must the investor obtain a driver's license for that country? Yes, unless he is in possession of an International driver's license he may only temporarily use a driver's license from another country in Belize.*

- *How does the investor obtain a driver's license?* Application to the Department of Transport.
- *What fees are involved?* Learner's permit- \$20.00, 1st issue of license- \$45.00
 - *Is an examination, either practical or written, required?* General Medical Exam as well as a written and practical exam.

C. Education

- *What types of schools are available for the investor's family?* Public government and church -operated schools as well as Private schools at all levels. The system is based on British **education** and is broken into three levels: Primary **education**, Secondary **education** and Tertiary **education**. **Belizean** children begin their eight years of primary **education** with two years of "infant" classes, followed by six "standards." Secondary **education** is divided into four "forms. The Catholic Church, and to a lesser extent the Methodists and Anglicans, through agreements with the government, operate most of Belize's premier public schools under Church-State partnership that has its roots in Belize's history as a British colony. Nearly two-thirds of Belize's population are teenagers or younger, so in every part of Belize you'll see school kids in their uniforms that vary from khaki, to blue to red pinstripes, and yellow depending on the school. In Belize City and elsewhere, there are both church and government-run primary and high schools.

A few private or parochial schools run by Protestant and Evangelical denominations also exist. Some of the best schools are in Belize City and in larger towns. Some of the more needy schools, with untrained teachers and few books or equipment are in the far south. One study found that lack of supplies was a major problem for schools in Toledo, and that about one-half of the teachers in the district had no educational training beyond high school. Only one in two Toledo children even finish primary school.

What fees are involved? These vary depending on level of education or whether the institution is public or private

A sampling of education costs in Belize. All figures are in US dollars:
Primary School

Public schools (often run by the Catholic Church): Free except for uniforms & books

Island Academy, San Pedro -private school: \$3,000+ a year

High School

Saint Catherine's Academy, Belize City: \$500 a year (tuition & fees)

Mount Carmel High School, Benque Viejo: \$300 a year (tuition)

Four-Year College

University of Belize, Belmopan and Belize City: \$675 (tuition for 15 credit hours) per semester for Belizean citizens and permanent residents; \$1,350 for students from developing countries; \$2,025 for students from developed countries; all plus fees of \$210 per semester and plus living expenses

What is required for enrollment? It depends on the school but usually if transferring from another school a transcript and the latest report card are required and the fees must be paid. These students may have to take the placement test and will attend an interview with the Principal and the student's parents or guardian. The following documents are required of all new students:

- Birth Certificate and
- Baptism Certificate (if Catholic)

Can the investor or company receive a tax benefit? Limited deduction

D. Housing

• *What type of housing is available for the investor?* Whatever type fits the investor's budget.

Construction costs vary depending on factors such as the cost of transportation of materials to the building site, the terrain and quality of work. Construction costs are higher on the coast and cayes, because of the need to use hurricane resistant construction. In the case of the cayes, it costs extra to transport building materials out to the islands by barge or boat. Building costs also are higher in southern than in northern Belize. Inexpensive building materials are more readily available in northern Belize

since some can be imported from Chetumal, Mexico.

Overall, building costs in Belize range from around US\$30.00 to \$150.00 a square foot, not including the cost of land. At the low end, that would be a simple Belizean-style concrete block bungalow house or frame construction, and at the top it would be high-quality concrete construction with hardwood floors and trim and with many custom details such as hand-made doors and windows. Most commonly, you'd expect to pay about US\$50. to \$90. a square foot, so a 1,500 square foot home would cost US\$75,000 to \$135,000 to build, not including land. That's about one-half or less of typical costs for construction in the U.S.

- *Can the investor own property? Yes*
- *Must the investor have housing before entering the country? No*
- *Can the investor subsidize housing and receive a tax benefit? No*

E. Importing Personal Possessions

- *How can the investor import personal belongings? Via any of the ports of entry by ship or by road*
- *Are import duties payable? Yes, duties will be lessened if he/she is Belizean resident. If the person is a Qualified Retired Person he/she may import personal and household belongings duty free within a year of qualification.*
- *Are there requirements for clearing the belongings through customs? Yes, it is suggested that you retain a broker.*

F. Medical Care

- *What level of medical care is available? Primary health care is available. Secondary- Limited.*

Belize has a network of approximately 60 public health clinics, with a total of 700 public hospital beds, which provide primary **medical** and dental **care** to rural areas. Belize has a relatively well established medical care delivery system both at the private and public sector level. Government operates hospitals or poly clinics in every major city and town and in other major

population centers such as large villages.

Belize City offers the highest level of medical care in the country due of course to the large population and client base, close to 100,000 taking into account suburban areas such as Vista Del Mar, Ladyville and Ambergris Caye. Several dental and private medical, lab and diagnostic facilities are available in this urban center. Most any serious medical problems can be treated at Belize's main referral hospital, the Karl Heusner Memorial Hospital (Princess Margaret Drive, Tel. 501-223-1548).

• *Is there national health care?* The National Health Insurance scheme (NHI) has recently been implemented and is therefore in its trial stage.

On the 9th of August 2001, a pilot project was launched and implemented in the Belize District South Side. It officially ended on the 12th of February, 2002, when a detailed report was produced. Overall, it was considered extremely successful. The results were later validated by a team of consultants from Cambridge Consulting Company, contracted through Multilateral Investment Fund (M.I.F.)

Cabinet then made a decision to roll-out the NHI scheme to the Southern Region of the Country. On June 5th, 2006 contracts were officially signed with Public Sector Primary Care Providers in the South of the country to provide a comprehensive package of primary care services. The providers include Dangriga Polyclinic, Independence Polyclinic, Punta Gorda Polyclinic and Isabel Palma Polyclinic (San Antonio) each with satellite clinics that offer health services to the most rural areas of the southern region. Belize Council for the Visually Impaired (BCVI) provides specialist eye care with two offices, one in Dangriga Town and the other in Punta Gorda Town. In 2012, a nutritional package was introduced in the southern region to alleviate high prevalence of micronutrients deficiencies reported in children less than 5 years.

NHI continues to operate in both regions with financing from General Revenues. Some modifications have been made in the contracting and monitoring process to drive efficiency and productivity while at the same time ensuring quality. As part of the monitoring process NHI with input from the MOH, defines annual Key Performance Indicators or targets that Primary Care Providers are required to meet in order for them to qualify for a performance bonus. Some of the targets include compliance with clinical protocols, determined by medical audits as well as facility evaluations, trainings, outreach programs etc.

In the last 2 years, NHI with the input of the MOH, has also established standards for the effective management of pharmacies and laboratories. Subsequent audits were conducted to ensure compliance with such standards which in turn, improves the quality of these services. Non-communicable diseases such as Diabetes and Hypertension pose a significant health burden in Belize. NHI is committed to ensure that providers also follow the clinical guidelines for the effective management and control of these conditions while empowering those affected to adopt healthier lifestyles and self-management skills. Currently NHI is in the process of launching an upgraded web base information system (RAWA) that will improve the quality and efficiency of health services. This system will also allow for collection and analysis of data that will inform future policy decisions and adjustments to the delivery of services.

Services covered under NHI

- Medical Consultations
- Nursing Services
- Consultation with Pediatrician,
- Consultation with Obstetrician, (prenatal services)
- Clinical Laboratory Services
- Generic Medicines included in the National Formulary
- Ophthalmology
- Geriatric care (South-Side Belize City only)

G. Moving Costs

• *What costs are involved in moving?* By ship- approximately U.S. \$1500.00 per container of goods from U.S. mainland. There are other costs by road bringing in the container. If you purchased the container (cost: US\$3000 to US\$5000 depending on its condition) you can have it trucked to your residence in Belize with the seal intact. Local truckers charge US \$100-200, depending on the distance.

The Retirement Program in Belize was created especially for those people who wish to live in Belize and can prove a permanent and consistent income from investment (abroad or in Belize), pension or other retirement benefits. All persons who have been designated a Qualified Retired Person shall be entitled, on first entering Belize, to import his or her personal effects and an

approved means of transportation free of all import duties and taxes. A Qualified Retired Person shall be exempt from the payment of all taxes and duties on all income or receipts which accrue to him other from a source outside of Belize whether that income is generated from work performed or from an investment.

- *Can the investor receive any tax allowances?* No

H. Tax Liability

- *What is the expatriate's tax liability?*) Same as another Belizean.
- *What are the allowances?* Same as above
- *Are there any applicable tax treaties?* No except for double taxation treaty (see above).

I. Work Contracts

- *Does the investor need a work contract to work in the country?* Our law allows for formal and informal contracts.
- *If so, does the contract have to be for certain duration, for the performance of a specific job or for a specific position?* No
- *Does the contract have to be with a national or resident of the country or related state?* No

J. Work Permits

- *Does the investor need a work permit to work in the country?* Yes
There are two available options for work permits – Permits for the self-employed and permits for those being employed or seeking employment
- *How and where does the investor apply for the permit?* Applications must be submitted to the Labour department on a Wednesday along with the required

documentation, passport pictures and \$25.00 processing fee. Interview with the Labour Department and the investor will occur on that day. The work permit approval will then be granted in 4 weeks and it is good for one year. After the year expires, the investor can then renew the work permit for another year.

• *What documents are required?* Person needs to fill out an application form and present his/her passport showing that he/she is legally present in the country. The applicant also needs to show that he/she is qualified for the type of work to be undertaken so he needs to submit business name registration certificate, or company documents: Certificate of incorporation, Memorandum and articles of association, share certificates and register of directors. The applicant must also submit the following: Copy of passport (only the pages with information on them), bank statement from one of the local banks in Belize, three passport size pictures, and police record from place of origin, resume and the receipt showing payment of \$25.00 processing fee.

If the foreign national will be working for a specific company in Belize, that company can apply for the permit on behalf of the foreign national. This eliminates the need for the individual to establish a business or a company in Belize. All the other requirements apply. If you will be working for someone else in Belize (Not Self Employed) you will need the below information on a Job letter: particulars & terms of employment, state methods used to find suitable candidates from among Belizeans, and amount of salary. The employer and the employee must both be present at the labour department on a Wednesday for them to be interviewed.

It must also be noted that once a company applies for a work permit on behalf of an individual, the individual is limited to working only for that company and the company is the owner of the work permit not the individual (even though the permit is placed in the individual's passport).

• *What fees are involved?*

N.B. that fees may vary and are subject to change.

(1) Import /Export trader- \$750.00

(2) Self employed Workers in agricultural Industries i.e. owners or managers of farms- \$1000.00

(3) Self employed Workers in Industries other than the afore mentioned \$1,200.00.

(4) Professional workers (holding degree)- \$1,500.00

• *How long does it take to receive the permit?* 3-4 weeks

- *For how long is the permit valid? 1 year*

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