

S.I. 2015 No. 12

Duties, Taxes and Other Payments (Exemption) Act

CAP. 67B

**DUTIES, TAXES AND OTHER PAYMENTS (EXEMPTION) (SANDALS
CASUARINA) ORDER, 2015**

The Minister, in exercise of the powers conferred on him by section 3 of the *Duties, Taxes and Other Payments (Exemption) Act*, makes the following Order:

1. This Order may be cited as the *Duties, Taxes and Other Payments (Exemption) (Sandals Casuarina) Order, 2015*.

2. In this Order,

“affiliate” has the meaning assigned to it by section 448 of the *Companies Act*, Cap. 308;

“all-inclusive hotel package revenues” means the revenues received by the Hotel for the guests vacation at the Hotel which is paid for by the guests as a lump-sum amount for the “all inclusive services” as advertised by the Hotel which includes rooms, food and beverage, entertainment, watersports, kids’ camp, tennis, gym and all other services which the Hotel provides as an all-inclusive hotel;

“associate” has the meaning assigned to it by section 448 of the *Companies Act*, Cap. 308;

“Company” means CPH Property Holdings (Barbados) Limited and Grande Cass. Management (Barbados) Limited, companies incorporated under the *Companies Act*, Cap. 308, or either of them and their affiliates and associates;

“Hotel” means the hotel formerly known as the “Casuarina Hotel” situate at Dover in the parish of Christ Church;

“on-property revenues” means the discretionary services separately purchased by Hotel guests for items which are not included in the all-inclusive revenues and relate to items such as spa, gift-shop, tours, weddings and telephone;

“Project” means the acquisition, development and expansion, by the Company, of the Hotel and the operation thereof by the Company as a Sandals resort; and

“Tax Holiday Period” means the period of 25 years after the commencement date of the commercial operation of the Hotel but, without lessening this period, shall include the period before the commencement date of the commercial operation and during which the Hotel is being acquired, expanded and developed and the Tax Holiday Period shall begin on the 5th November, 2013.

3. The Company, in carrying out the Project, during the Tax Holiday Period, is exempt from the payment of

- (a) corporate tax on the whole taxable income of the Company in respect of the operation of the Hotel;
- (b) all withholding taxes on the interest paid to non-resident financial institutions on the portion of loans for financing of operations of the Hotel, dividends, management services, consulting skills for the operation of the Hotel as well as on the Company’s recoverable costs including but not limited to insurance premiums and licence fees;
- (c) all imposts and taxes on insurance premiums;
- (d) the payment of duties, taxes, imposts and levies which may be due in relation to any property which may be acquired for the use and benefit of the Hotel or for living accommodation for non-resident senior members of staff and other staff of the Hotel;

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- (e) stamp duty in respect any loans, mortgages, debentures or other documents executed by the Company in relation to the Hotel or in relation to any property which may be acquired for the use and benefit of the Hotel or for living accommodation for non-resident senior members of staff and other staff of the Hotel;
 - (f) duties and taxes in respect of the repatriation of capital and profits in respect of the operation of the Hotel;
 - (g) income tax on any distribution of income by the Company to its members;
 - (h) all import duties, taxes, imposts and levies of any nature whatsoever, including value added tax, on the importation or local purchase of:
 - (i) all capital goods such as building materials, articles of hotel equipment, furniture, furnishings, fixtures, fittings, construction machinery, boats, watercraft, vehicles for the Hotel's use, televisions, computer equipment, telephones, software, hardware, shrubs and plants, garden and agriculture equipment, promotional and marketing materials for operating the Hotel and for the cyclical refurbishing undertaken from time to time in order to maintain the Hotel to the standards of the Sandals brand;
 - (ii) consumables for the operation of the Hotel, including but not limited to operating supplies, soft furnishings, printed materials, guest supplies, spa supplies, paper, stationery, books and spare parts for equipment;
 - (iii) food, alcohol and beverages;
 - (i) all import duties, taxes, imposts and levies on all vehicles required for the operation of the Hotel including vehicles assigned to senior managers;
 - (j) all import duties, taxes, imposts and levies on the personal and household effects and vehicles for senior staff who are contracted to

- work in Barbados and are not citizens or permanent residents of Barbados;
- (k) value added tax on the provision of services that directly relate to construction works or cyclical refurbishment of the Hotel undertaken from time to time in order to maintain the Hotel to the standards of the Sandals brand.

Made by the Minister this 9th day of March, 2015.

CHRISTOPHER SINCKLER
Minister Responsible for Finance