

BELIZE:

STATUTORY INSTRUMENT

No. 38 of 2010

ORDER made by the Minister of Finance in exercise of the powers conferred upon him by section 95 of the General Sales Tax Act (No. 49 of 2005), and all other powers thereunto him enabling.

(Gazetted 17th April, 2010.)

1. This Order may be cited as the

Short title.

GENERAL SALES TAX (AMENDMENT OF SCHEDULES) (NO. 2) ORDER, 2010.

2. The Third Schedule to the General Sales Tax Act [Zero-rated Supplies and Imports] is hereby repealed and replaced by the Schedule to this Order headed “**Third Schedule**”.

Repeal and replacement of Third Schedule.
Act 49/05
S.I. 60/06
86/06
90/06
77/08.

3. The Fourth Schedule to the General Sales Tax Act [relating to Exempt Supplies] is hereby repealed and replaced by the Schedule to this Order headed “**Fourth Schedule**”.

Repeal and replacement of Fourth Schedule.
Act 49/05
S.I. 60/06
92/07
123/07
77/08
10/10.

4. This Order shall take effect from the **1st day of April, 2010.**

Commencement.

MADE by the Minister of Finance this 13th day of April,
2010.



(DEAN O. BARROW)
Minister of Finance

(Sections 2 and 9)**THIRD SCHEDULE****ZERO RATING: OTHER SUPPLIES AND IMPORTS**

(1) In this schedule-

“unprocessed,” in relation to food, means that the food contains no additives, other than vitamins or minerals, and has not been subjected to a process or treatment other than pasteurizing, freezing, chilling or packaging, a mechanical process, or a process that solely employs the elements of weather;

“processed,” in relation to food, means that the food has been subjected to either cooking, boiling, baking, seasoning, mixing or complemented with other foods, preservatives, extracting, extruding, fermentation, canning or a combination of one or more of the above mentioned processes or other treatments that transform the food from its natural state to a new product.

(2) Subject to the regulations, a taxable supply or taxable import is zero-rated for the purposes of this Act if it is a supply or import of one of the following items-

I. FOOD FOR HUMAN CONSUMPTION

1. Food for human consumption if the food is of a kind itemized in the following table:

Item	Description
	<i>Unprocessed Foods:</i>
(1)	Rice
(2)	Flour
(3)	Corn
(4)	Fresh Meat from any mammal, bird, or fish
(5)	Edible Offal of bovine animals, swine & sheep
(6)	Eggs

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- S.I. 86/06 (7) Beans
S.I. 77/08 (8) Fresh Fruits and Vegetables (locally produced)
(9) Salt
(10) Fresh Milk (Locally produced)
(11) Tea

Processed Foods:

- S.I. 86/06 (1) Bread, Corn and Flour tortilla and locally produced sweet bread and bun
S.I. 77/08 (2) Cooking Lard
(3) Margarine
(4) Baby Formula
(5) Sugar
(6) Condensed Milk
(7) Powdered Milk
(8) Cooking Oil
(9) Instant Coffee
(10) Chicken Sausages (canned)
(11) Corned Beef (in cans)
(12) Yeast
(13) Oats
(14) Luncheon Meat
(15) Potted Meat
(16) Chocolate Powdered Drinks
(17) Macaroni and Cheese
(18) Cereals
(19) Percolated coffee
(20) Edible meats of swine salted or in brine
(21) Edible meats of bovine animals salted or in brine
(22) Soups and broth in solid or powdered form (including Ramen)
(23) Preparations of malt extract

2. Any live bird, fish, crustacean, mollusk or other animal of a kind generally used as, or producing, food for human consumption.

II. SUPPLIES CONNECTED WITH AGRICULTURE,
LIVESTOCK BIRDS AND FISH, CRUSTACEAN,
MOLLUSK AND OTHER

1. Hatching eggs
2. Animal feeding stuff suitable for any live bird, fish, crustacean, mollusk, or other animal of a kind generally used as, or producing, food for human consumption or for any draught animal. S.I. 60/06
3. Concentrated feed for bovine animals and swine.
4. Seeds and other means of propagation of plants and plants that are used for providing either food listed in item 1 of this Schedule or a feeding stuff referred to in item III 1 above. S.I. 60/06
5. Preparations formulated for agricultural use, namely, fertilizers, pesticides, fungicides and herbicides.
6. Land preparation for agriculture, harvesting and crop dusting services.
7. Barbed wire
8. Irrigation pipes and hoses
9. Spare Parts for Tractors
10. Cables for Banana Industry
11. Sugar Cane Loading Machines

III. UTILITIES

1. A supply of water (other than water supplied in bottles or similar containers) or domestic sewerage services.

S.I. 123/07

2. Butane Gas for domestic use

IV. MEDICINES AND MEDICAL SUPPLIES FOR HUMAN USE

S.I. 77/08

1. Analgesics in the form of liquids, tablets, capsules, or other solid dosage forms for oral or rectal use.
2. Cough and cold preparations in the form of liquid, tablets, capsules or other solid dosage forms for oral or nasal use.
3. Diagnostic-testing kits and devices for testing glucose in blood and urine.
4. Insulin and insulin syringes with needles and devices of a type not exceeding 100 units (1.0 ML) capacity, for the administration of U-100 insulin.
5. Oral rehydration preparations in the form of salts and solutions of W.H.O./Paramacopoeia standards
6. Dialysis fluids.
7. Oxygen
8. Anti-Retroviral Medicines.

V. ITEMS FOR HOUSEHOLD USE

1. Laundry Washing Soap Powder

VI. HOUSEHOLD APPLIANCES

1. Stoves and Ranges/Cookers
2. Refrigerators for Domestic Use
3. Washing Machines for Domestic Use

VII. ITEMS AND SUPPLIES FOR USE IN EDUCATION

1. Notebooks
2. Pencils, crayons, lead pencils, erasers, pencil holders for use in schools
3. School bags

VIII. OTHERS

1. Frames for Eye Glasses

(Section 2 and 15)**FOURTH SCHEDULE****EXEMPT SUPPLIES OF GOODS AND SERVICES**

(1) In this schedule-

“new residential premises” means residential premises that -

- (a) have not previously been sold as residential premises or been the subject of a long-term lease;
- (b) have been created by the substantial renovation of a building; or
- (c) have replaced demolished premises on the same land;

“residential premises” means a building occupied or capable of being occupied as a residence, but not including hotel or holiday accommodation.

(2) The following supplies are exempt for the purposes of this Act –

FINANCIAL SERVICES AND OTHER INTERMEDIATION SERVICES

1. A supply of the following “financial services,” except where provided in return for an explicit fee or charge-

- (a) granting, negotiating, and dealing with loans, credit, credit guarantees, and security for money, including management of loans, credit, or credit guarantees by the grantor;

- (b) transactions concerning money, deposit and current accounts, payments, transfers, debts, cheques, or negotiable instruments, other than debt collection and factoring;
- (c) transactions relating to financial derivatives, forward contracts, options to acquire financial instruments, and similar arrangements;
- (d) transactions relating to shares, stocks, bonds, and other securities, other than custody services;
- (e) management of investment funds;
- (f) provision, or transfer of ownership, of an insurance contract or the provision of reinsurance in respect of such contract;
- (g) provision, or transfer of ownership, of an interest in a scheme whereby provision is made for the payment or granting of benefits by a benefit fund, provident fund, pension fund, retirement annuity fund or preservation fund;
- (h) a supply of credit under a finance lease, if the credit for the goods is provided for a separate charge and the charge is disclosed to the recipient of the goods; or
- (i) the arranging of any of the services in paragraphs (a) to (h).

2. A gambling supply

S.I. 92/07

RESIDENTIAL PROPERTY

3. A sale of real property to the extent that the property relates to residential premises other than new residential premises.

4. A supply of residential accommodation.

EDUCATION

CAP. 36 5. A supply of goods or services by an Educational Institution within the meaning of the Education Act in the course of providing training or education to an individual, if that Institution -

- (i) in the case of a private school, is registered under that Act, and
- (ii) in any other case, is approved for the purposes of this item by the Minister to whom responsibility for education is assigned

6. A sale, lease, licence or other supply of the use of land, or a supply of goods and services in connection with the construction of buildings or other facilities on land, if -

CAP. 36 (i) the supply is provided to an Education Institution within the meaning of the Education Act; and

(ii) the Minister responsible for Education has issued a notice in writing stating that he is satisfied that the land, buildings, or facilities will be used in providing supplies that are exempt under item 5 and the supplier holds an original or certified copy of that notice.

7. Textbooks, school work books, or other educational texts in question-and-answer format with spaces for insertion of answers, children's picture or painting books; other books in single sheets, dictionaries and encyclopedias and serial instalments thereof, or other books. Music printed or in manuscript whether or not bound or illustrated, maps and charts in book form.

CAP. 36 8. Equipment or furniture for the use of an Educational Institution within the meaning of the Education Act, provided

that the supplier holds a Statutory Declaration from the Institution stating that the goods will be used only in the course of providing goods or services that are exempt under items 5, 6 and 7.

MEDICAL SUPPLIES

S.I. 77/08

9. Medical, dental, hospital, optical and paramedical services, other than veterinary services and cosmetic surgery.

ACCOMMODATION SERVICES

10. The supply of accommodation in a hotel, inn, guesthouse, boarding house, lodging house or any other similar establishment.

UTILITIES AND PUBLIC TRANSPORT

11. A supply of electricity to consumers who use up to \$200.00 of electricity per month.

12. A supply of Public Postal Services.

13. A supply of the domestic public transport of passengers on any regular scheduled flight, vehicle, or vessel if-

- (a) the transport is for use by any person who pays the required fare and is not provided to particular class of person, such as, without limitation, an employee of the supplier or a guest at a hotel or similar establishment;
- (b) the supply is not provided by a tour operator or as part of a tour; and
- (c) the supplier:

(i) in relation to transport supplied on a domestic flight, is licensed by the Air Transport Licensing Authority;

(ii) in relation to transport supplied in a vehicle, has been issued with a Road Service Permit by the Transport Board established under section 4 of the Motor Vehicles and Road Traffic Act; or

CAP. 230

(iii) in relation to transport supplied in a vessel, is licensed under the Harbour and Merchant Shipping Act.

CAP. 234

S.I. 92/07

14. A lease of aircrafts and maintenance facilities for the upkeep of aircrafts, together with aircraft parts and equipment used for such upkeep, and the provision of operating facilities and terminals in connection with the supply of public air transport.”;

15. Air Cargo Operations

EXPORTED SERVICES

S.I. 123/07

16. A supply of the international transport of passengers or goods.

CERTAIN SUPPLIES PROVIDED TO DIPLOMATIC MISSIONS, etc.

S.I. 10/10

17. The following supplies provided to diplomatic missions accredited to Belize, or international and regional organizations:-

(i) a supply of security guard services;

- (ii) a supply of rented office or business accommodation;
- (iii) a supply of housing repair and maintenance services.

GOODS AND SERVICES SUPPLIED TO THE GOVERNMENT OF BELIZE

18. The following goods and services supplied to or procured by the Government of Belize shall be exempt for the purposes of this Act:

- (i) all importations by the Government of Belize;
- (ii) all goods and services supplied to the Government of Belize locally under a contract (whether written or oral) for the supply of such goods and services (“contract payments”); and
- (iii) other goods and services supplied locally (not falling within (i) above such as “off the shelf” purchases), **on the production of an exemption certificate from the Ministry of Finance.**