

# Country Guide

## Belize

Prepared by

Barrow & Williams LLP



**LexMundi**  
Bringing the  
best together™

[lexmundi.com](http://lexmundi.com)

# Guide to Doing Business - Belize

Prepared by Barrows & Williams LLP Attorneys-at-Law.



2023

## Contents

I.	THE COUNTRY AT A GLANCE.....	5
II.	GENERAL CONSIDERATIONS.....	9
	A. Investment Policies .....	9
8	B. Diplomatic Relations.....	10
	C. Government .....	12
	D. Environmental Considerations.....	14
	E. Intellectual Property .....	15
III.	INVESTMENT INCENTIVES.....	16
IV.	FINANCIAL FACILITIES .....	19
V.	EXCHANGE CONTROLS.....	22
	A. Business Transactions with Nationals, Residents or Non-Residents .....	22
VI.	IMPORT/EXPORT REGULATIONS .....	23
	A. Customs Regulations .....	23
	B. Exports .....	24
	C. Foreign Trade Regulations.....	25
VII.	STRUCTURES FOR DOING BUSINESS .....	26
	A. Limited Liability Companies.....	26
	B. Business Names.....	27
	C. International Limited Liability Companies.....	27
	D. Nonprofit Organizations.....	27
	E. Non-Governmental Organizations.....	27
	F. Limited Liability Partnerships.....	27
	G. International Trust .....	28
	H. International Foundations .....	28
VIII.	REQUIREMENTS FOR THE ESTABLISHMENT OF A BUSINESS .....	28
	A. Reporting Requirements.....	28
	B. Antitrust Laws .....	29
	C. Environmental Regulations .....	29
	D. Government Approvals/Licenses/Permits.....	29
	E. Insurance .....	30
IX.	OPERATION OF THE BUSINESS .....	31
	A. Advertising .....	31
	B. Attorneys .....	31
	C. Bookkeeping Requirements .....	31
	D. Business Ethics/Codes .....	32
	E. Consumer Protection Laws .....	33

F.	Construction .....	33
G.	Contracts .....	34
H.	Price Controls .....	34
I.	Product Registration.....	35
J.	Reductions or Return on Capital .....	37
K.	Sale of Goods .....	38
L.	Trade Associations .....	39
X.	CESSATION OR TERMINATION OF BUSINESS .....	39
A.	Termination .....	39
B.	Insolvency/Bankruptcy .....	40
XI.	LABOR LEGISLATION, RELATION, AND SUPPLY .....	40
A.	Employer/Employee Relations .....	40
B.	Employment Regulations .....	41
C.	Hiring and Firing Requirements.....	42
D.	Labor Availability .....	43
E.	Labor Permits .....	43
F.	Safety Standards .....	44
G.	Unions .....	44
XII.	TAX ON CORPORATIONS .....	44
A.	Allowances .....	44
B.	Calculation of Taxes .....	46
C.	Capital Gains .....	47
D.	Filing and Payment Requirements .....	47
E.	Miscellaneous Taxes Due .....	48
F.	Registration Duties .....	49
G.	Sales Tax or other Turnover Tax .....	50
H.	Social Security and Welfare System Contributions .....	51
I.	Special Tax Schemes .....	52
J.	Tax on Profits .....	52
K.	Tax Treaties .....	52
L.	Territoriality Rules .....	53
M.	Treatment of Tax Losses .....	53
N.	Wealth Tax .....	53
O.	Withholding Taxes .....	53
XIII.	TAX ON INDIVIDUALS .....	54
A.	Allowances .....	54
B.	Calculation of Taxes .....	56
C.	Capital Gains Tax .....	57
D.	Filing and Payment Requirements .....	57
E.	Inheritance and Gift Tax .....	57
XIV	MISCELLANEOUS TAXES DUE .....	57
A.	Real Estate/Habitation Tax .....	57
B.	Stamp duty .....	59
C.	Stock Option, Profit Sharing and Savings Plans .....	60
D.	Taxation of Benefits in Kind .....	60
XV.	COURT SYSTEM OVERVIEW.....	63
A.	Courts .....	63
B.	Statutes of Limitation.....	64
C.	Recognition and Enforcement of Foreign Judgments.....	65
D.	Arbitration .....	66

XVI.	IMMIGRATION REQUIREMENTS .....	64
	A. Immigration Controls .....	64
	B. Immigration Requirements/Formalities .....	64
	C. Visas .....	65
	D. Work Permits.....	65
	E. Residency.....	66
	F. Citizenship by Registration.....	69
	G. Qualified Retirement Program.....	69
XVII.	EXPATRIATE FACTORS .....	70
	A. Drivers' Licenses .....	70
	B. Education .....	71
	C. Housing .....	72
	D. Medical Care .....	72
	E. Work Contracts .....	74

## GUIDE TO DOING BUSINESS IN BELIZE 2023

### I. 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 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 – 2.0730 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 22,960 square kilometers. It is an approximate 2-hour flight from Miami, and Houston. 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 22,960 square kilometers. It is an easy 2-hour flight from Miami and Houston.

The population is at about mid 2022 stood at 441,471. 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 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 entroamericana (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. Regarding 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, e.g., 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. Most 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, Alaska Air, West Jet, Air Canada, United Airlines, U.S. Airways, Delta Airlines, and Sun Country Airlines provide international air service to gateways including Dallas, Houston, Miami, Los Angeles, Charlotte, Atlanta, San Salvador Panama, Minneapolis/St. Paul, and Canada.

*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, Canada, and Central America. Major seaports are situated in Belize City, Big Creek and Dangriga.

*H. Describe the public services – i.e., water, electricity, gas.*

The Belize Electricity Limited is the primary distributor of electricity in Belize. Belize<sup>[1]</sup>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.

The provision of gas is provided by privately owned companies such as Brown's Butane, Puma, Shell, and Uno.

The National Gas Company (Belize) Ltd. (NGC) is a Public Private Partnership (PPP) with the Government of Belize (GOB) established to design, finance, build, and operate a Liquefied Petroleum Gas (LPG) terminal and two regional wholesale depots. For the first 15 years of the project the GOB will hold 25% of NGC and thereafter, 100% ownership of the facilities will be transferred to the GOB.

NGC is comprised of three modern and strategically located facilities that combine to store approximately 1.6 million of gallons of LPG:

- National Marine LPG Terminal – Port of Big Creek
- Distribution Facility – Orange Walk
- Distribution Facility – Belmopan City

The National Marine LPG Terminal enables the direct importation of Liquefied Petroleum Gas from production facilities in international markets around the world to NGC's distribution centers – no more than an hour drive away from all major urban locations in Belize. The National Gas Company represents a major leap forward for the country.

## 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) 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) ([BELTRAIDE: Home \(beltraide.bz\)](http://beltraide.bz)) 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.

As of 2023, The Ministry of Economic Development, Petroleum, Investment, Trade and Commerce, through the Belize Trade and Investment Development Service (BELTRAIDE) in collaboration with Connect Americas of the Inter-American Development Bank (IDB) and the Caribbean Association of Investment Promotion Agencies (CAIPA), is launching the *Belize Investment Portfolio*. The portfolio seeks to fast-track investment generation efforts, both local and foreign, through targeted matchmaking of pre-packaged investment concepts and projects.

2. *What is the rate of inflation?*

The inflation rate for 2021 stood at 3.2% and as of August 2023 stood at 3.4%. The Consumer Price Index (CPI) as of August 2023 stood at 116.0. As of August 2023, Belize imported good valued at \$274.8 Million and total domestic exports as of August 2023 amounted to \$71.6 Million Belize dollars.

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, no. The issuance of licenses is generally at the discretion of the respective Minister. Foreigner ownership of local limited liability companies does require central bank receipt of notice to be obtained from the Central Bank of Belize.

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?*

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, tourism, agribusiness, agricultural production, meat processing, educational, banking, fisheries, and aquaculture, mercantilism, peddling, handicraft, data processing, services, hoteliering, restaurateuring, outsourcing industry and many others.

## **B. Diplomatic Relations**

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

Currently Belize maintains 11 embassies and high commissions abroad as well as 55 consulates and other representation. The Belizean capital Belmopan and Belize City host 12 embassies and high commissions and in addition there are 48 consulates and other representations located in Belize.

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 organizations.

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 9<sup>th</sup>, 2016.

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

A valid passport is required of all visitors.

If you are travelling or transiting to Belize, you may require a Belize entry visa.

A visa allows you to enter Belize and remain legal in Belize for a maximum of 30 days from date of entry.

If you will be staying longer than 30 days in Belize, you will need to visit an Immigration Office to extend your stay in Belize. The permit required to extend your stay in Belize beyond the 30 days is the 'Belize Visitor's Permit Extension.'

To search if you require a Visa, enter country of nationality on the below website to see if you may require visa to visit Belize.

[Visa Who Qualifies – Belize \(immigration.gov.bz\)](http://immigration.gov.bz)

Exemption for Belize Entry Visa for visits not exceeding 30 days.

- If you hold a valid multiple entry visa or Permanent Residence Card from the United States of America.
- If you hold a valid multiple entry Schengen visa
- If you hold a valid multiple entry visa or Permanent Residence Card from Canada

### **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.

The governance system in Belize is composed of three branches: the legislative, judiciary and executive branches.

2. *The National Assembly*

The National Assembly, which is the Legislature or Parliament of Belize, consists of three bodies: the Governor-General, the Senate, and the House of Representatives. The National Assembly of Belize is bicameral, meaning it consists of two houses – the Senate and the House of Representatives. The thirty-one (31) Members of the House of Representatives are elected in general election under the provisions of the Representation of the People Act. Meanwhile, the thirteen (13) Members of the Senate are nominated and appointed by the Governor General of Belize. However, in accordance with the provisions of section 90 of the Belize Constitution, the National Assembly may by law increase the number of Members of the House of Representatives.

The National Assembly of Belize is the body that makes laws for peace, order, and good governance of Belize. The Power of the National Assembly to make laws shall be exercised by Bills passed by both Houses and assented to by the Governor General. In other words, no law made by the National Assembly shall come into operation until it has been signed by the Governor General; however, the National Assembly can postpone the coming into operation of any such law and can make laws with retrospective effect. All laws made by the National Assembly are styled “Acts”.

A very important role of the National Assembly is also to provide oversight to the administrative policies and economics of the government through various Standing Committees of the House of Representatives. For example, all proposed legislation, messages, petitions, reports, motions, and other matters under the title of each Standing Committees shall be referred by the House to such Committee for examinations, consideration, and report to the House.

The House of Representatives:

Presently, there are 31 elected members of the House of Representatives. The party with the majority of seats in the House of Representatives forms the Government. The Cabinet, the Executive branch of Government, has direct control of the civil and military apparatus of the state and makes day-to-day decisions on the management of those resources. The Executive is headed by the Prime Minister.

One of the major parliamentary functions is drafting new laws and amending old laws for peace, order and good governance of Belize. The House of Representatives plays a part – obviously the largest and most important part – in the creation of laws by the National Assembly. Once a bill has been passed by the House of Representatives, and the Senate, it is sent to the Governor-General’s Office for his assent. The bill which the Governor-General assents then becomes an act, forming part of the Laws of Belize.

Members of the House of Representatives represent the voters of Belize. Each year the House approves a budget outlining Government’s policy. When debating the budget, each elected member speaks to the budget in terms of its impact on their respective constituencies. They also represent the actions of the House and the Government to the people.

Apart from those mentioned above, the House has several ways of holding the Government to account. During a Sitting of the House, there is a question time for Backbenchers and

Opposition Members to ask questions to Ministers. There is a provision for general and urgent debates, a Select Committee of Members to investigate matters of Government. Also, upon the motion "That this House do now adjourn" any member, customarily the Opposition, may raise any matter of public concern and a Minister may reply.

The Senate:

The Senate is currently comprised of thirteen appointed Members, while the President of the Senate is either elected from among the appointed Members or from outside of the Senate. The thirteen Senators are appointed by the Governor General; six Senators are appointed on the advice of the Prime Minister; three are appointed on the advice of the Leader of the Opposition; one is appointed on the advice of the Belize Chamber of Commerce and the Belize Business Bureau; one is appointed on the advice of the Belize Council of Churches and the Evangelical Association of Churches; one is appointed on the advice of the Belize National Trade Union Congress and the Civil Society Steering Committee; and one is appointed on the advice of the Non-Governmental Organizations.

The Senate, besides discussing and debating Bills coming from the House of Representatives, has specific functions. These functions include approving any Bill to alter any provision of Part II of the Belize Constitution, in accordance with subsection (5A) of section 69 of the Constitution; authorizing the ratification (including adhesion or accession) of any treaty by the Government of Belize, including any treaty for the settlement of the territorial dispute between Belize and the Republic of Guatemala; approving the establishment in Belize of any military base of operations for any foreign military forces; approving the appointment of the Contractor General, the Ombudsman, a member of the Elections and Boundaries Commission, and a member of the Integrity Commission; instituting and conducting enquiries and investigations on any matter of the public interest or importance, including inquiries into mismanagement or corruption by persons in the central government or public statutory bodies; receiving, reviewing and reporting on annual reports and other reports of the Auditor General, the Contractor General and the Ombudsman and instituting and conducting inquiries, investigations and hearings in relation thereto; requiring the attendance before it of the Auditor General, the Contractor General or the Ombudsman generally, in relation to the discharge of their duties and the execution of their functions; requiring the attendance before it of any Chief Executive Officer in a Government Ministry in respect of any matter of which he has knowledge by virtue of his office, or in respect of anything related to his office and the due execution of his duties; and requiring the attendance before any Committee of the Senate, of any Minister of Government.

#### ***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 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, World Wildlife Fund 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, [Department of the Environment – Ministry of Sustainable Development, Climate Change & Disaster Risk Management \(doe.gov.bz\)](http://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](http://www.belipo.bz) for additional information.

Belize provides for the filing of original application for registration of trademarks without reference to United Kingdom registrations. Trademarks 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 trademark 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.

### **III. INVESTMENT INCENTIVES**

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 the government 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.

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

#### **Full Duty Exemption:**

- Duty exemption of up to a maximum of 15 years to companies granted an Approved Enterprise Order.
- Duty exemption may be renewed for a further term of 10 years or a total of 25 years for companies engaged in agriculture, agro-industrial products, mariculture, food processing and manufacturing with operations centered on export, and that are highly labour intensive.

#### **Categories:**

Several categories of items may benefit from full or partial relief from Import Duty, depending on the nature of the business. Examples of categories that may be approved are:

- Building Materials and Supplies
- Plant, Machinery, and Equipment Specialized Tools (excluding hand tools) Utility and Transport Vehicles
- Fixtures and Fittings
- Office Equipment and Appliances
- Spare Parts for Plant, Machinery & Equipment
- Agricultural Machinery and Supplies
- Raw Materials or other items for the sole use of the approved enterprise.

#### **Who Qualifies?**

- A company applying for a development concession must be an incorporated entity under the Laws of Belize.
- Business activities must provide benefits to the economy of Belize.

- Designated Processing Areas (DPA)

The **Designated Processing Area (DPA) Program** (DPA Act, No. 27 of 2018) is intended to support investments that engage in international trade and value addition inclusive of technology transfer, generation of employment and production according to standards of the intended market.

#### **What Are The Eligible Activities?**

Any company that is registered and formed in Belize, and is involved in any of the following activities: Manufacturing, Agro-processing, Aquaculture, Data Processing (IT Enabled Services), Developer of an Industrial or Business Park.

#### **Benefits of DPA Program** (up to 10 years with an option to renew)

- Import Duty and Tax Exemptions
- Exemptions from property and land taxes on the designated area
- Exemptions from Excise and Consumption (GST) taxes on imported inputs
- Preferential Tax Rate based on Chargeable Income as per the Income and Business Tax Act (Amendment Act, No.26 of 2018)
- Opportunity to open foreign currency bank accounts in Belize.
- Opportunity to sell, lease or transfer goods and services between DPA companies.
- Customs inspection at the designated area for expediency
- Work permits may be granted for up to 15% of workers of the DPA (Senior Management or Technical Staff)
- Supplies Control and Import Licenses does not apply to inputs used for exports.
- Exemption from the Trade Licensing Act
- Commercial free zones (CFZ)

The **Free Zones Act** of 2005 was established to attract foreign investment and provides for various activities including manufacturing, processing, packaging, warehousing and distribution of goods and services. Merchandise warehoused in a CFZ may be sold free of duty wholesale or retail:

- To diplomats of other countries.
- To ships that dock at ports in Belize.
- For direct export whether by sea, air or land.
- For entry into national customs territory (related import duties and taxes become payable upon entry into national customs territory).

## **Benefits of CFZs in Belize**

Duty exemptions available to investors in a CFZ on:

- Merchandise, articles or other goods entering a CFZ for commercial purpose.
- Fuel and goods including building materials, furniture, equipment, supplies and parts required for the proper functioning of the CFZ business.
- Exemption from income tax, capital tax, gains tax or any new corporate tax levied by the Government of Belize during the first 10 years of operation.
- Exemption from such tax for the first 25 years of operation on dividends paid by a CFZ business.
- Imports or exports by a CFZ business do not require an import or export license.
- No restrictions on the sale of foreign currency or transfer of foreign exchange in a CFZ.
- No Government charges and taxes imposed on the use of foreign currency in a CFZ.
- CFZ businesses are allowed to open an account in any currency with any registered bank.
- Income tax deductions on the chargeable income of every developer and CFZ business after the first 10 years of operation.
- CFZ businesses incurring a net loss over the 10-year tax holiday may deduct the loss against profits in the 3 years following the tax holiday period.

## **Who Qualifies?**

Any private or public party or group of parties may establish wholesale or retail businesses on property it owns or leases within a CFZ, provided it has obtained approval from the CEO of the Commercial Free Zone Board of Directors.

## **Application Requirements:**

Interested parties must submit an application to the CEO of the Commercial Free Zone Board of Directors for review and approval. The CEO may approve a submitted application if the proposed business enterprise:

1. Will conduct trade and investment activities such as a commercial office, warehouse, manufacturing, insurance services, financial services, banking services, offshore financial services and other professional or related activities.
2. Will not have a deleterious effect on the environment.

• *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 3 commercial banks: The Belize Bank Ltd., Heritage Bank, The Atlantic Bank Ltd. Offshore Banking is done as well; there are 2 international banks licensed to operate in Belize: Heritage International Bank & Trust Limited, and Belize Bank International 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 carries 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.

- *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/>

- *Can the investor receive bank loans?* Yes, but may be subject to Central Bank approval.

##### *B. The Financial Services Commission (FSC)*

With the passage of the Securities Industry Act, 2021, the former International Financial Services Commission (IFSC) was transformed into the Financial Services Commission (FSC) and given the additional responsibility for administration of the SIA, which includes licensing, supervising, and regulating the securities industry in Belize. In addition, with the enactment of the Belize Companies Act, 2022, the FSC was further entrusted with the responsibility for the Belize Companies and Corporate Affairs Registry.

The FSC is committed to international standards and best practices in the regulation and supervision of non-bank financial services. The FSC falls under the portfolio responsibility of the Minister of Finance and is governed by a Board of Commissioners comprising of the Chairman and 8 other Commissioners, including the Director General of the FSC. The Minister appoints the chairperson from amongst the 5 public sector members of the Board, as well as the other Commissioners, save for the Director General who is appointed by the Board on the approval of the Minister. The current Chairman is the Financial Secretary. The Director General is the Chief Executive Officer and the ex-officio Deputy Chairman of the FSC and serves as the Registrar of the following Registries:

1. Belize Companies and Corporate Affairs Registry
2. International Merchant Marine Registry of Belize
3. Limited Liability Partnerships Registry
4. International Trusts Registry
5. International Foundations Registry
6. International Limited Liability Companies Registry

In fulfilling its mandate and carrying-out its core functions the FSC is committed to ensuring that Belize remain a thriving, competitive, safe and sound jurisdiction from which firms and individuals of substance and good reputation can conduct good business. To this end, the FSC works collaboratively with industry partners, as well as with local, regional, and international partners in achieving these objectives.

The aim of the FSC is to protect consumers, enhance the reputation of Belize as an international financial services center and to promote good business practices by good firms. Its supervisory work focuses chiefly on the way firms are operated and governed and the identification of risks to consumers and the reputation of Belize more generally.

In carrying out its functions, the FSC cooperates with other national agencies and departments, including the Financial Intelligence Unit, the Belize Tax Services, Central Bank, and the Attorney General's Ministry. The FSC also cooperates with regional and international organizations in the global fight to combat money laundering and terrorist financing. As such, the FSC facilitates Belize's membership and participation in the Caribbean Financial Action Task Force, Organisation of Economic Cooperation and Development.

### *C. The International Merchant Marine Registry of Belize (IMMARBE)*

Belize became a member state of the International Maritime Organization (IMO) in 1990. This organization has adopted the 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.

IMMARBE has an age policy dependent on type and area of operation and vessels should be under 25 years of age at time of registration to obtain fast approval for registration. Vessels exceeding the age limit may be accepted upon a satisfactory evaluation of its previous detention record, class society, ship manager, and in some cases, be subject to a General Safety Inspection to determine seaworthiness and management of the vessel.

Through thorough inspections of its fleet, IMMARBE has enhanced its Port State Control performance of 1,060 inspections in 2018 and adjusted the minimum age to 19 years. 60 % of the Belize fleet carries out trade in Asia, 30% in Europe and 10% are vessels from different parts of the world. In order to safeguard the integrity and reputation of the Belize Ship Registry with an aim to accomplish a future goal as becoming a White Listed Registry, the technical department of Belize Ship Registry developed an Occasional Survey Program for vessels operating in the area of Paris MOU and Tokyo MOU.

There is no restriction in ownership as all foreign owned companies or individuals may register vessels under the Belize Flag.

### **Documentation Requirements for Vessel Registration**

- Application for Registration of a Vessel.
- Details on the form provide the Belize Ship Registry information for the assignment of a registration number and call letters as well as details on the ownership and appointed radio accounting entity, recognized survey company.
- A duly notarized Bill of Sale, or a duly notarized Builder's Certificate, if vessel is a new building.
- An original deletion certificate or a certified copy of the extract of registry from the previous Flag Administration.
- A duly notarized Power of Attorney (we will provide you)
- Copy of a Tonnage certificate and Class Certificate issued by an authorized survey company.
- Application for Minimum Safe Manning Certificate
- ISM Code Declaration of Company, Designated Person and Company Security Officer and CSR File (Only applicable for vessels above 500 GRT)
- Proof of Liability Insurance, including oil pollution, Bunker Pollution and Nairobi wreck removal insurance as applicable
- Proof that vessel is free of recorded liens and encumbrances.
- Application for Ship Station License

## **V. EXCHANGE CONTROLS**

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

The Exchange Control Regulations Act, 2003, addresses the treatment of financial transactions between residents and non-residents, involving exports and imports and various capital transactions. Large deficits on the current account of the balance of payments and foreign debt servicing obligations require continued vigilance for capital transactions, such as the purchase and sale of land, company shares, financial assets, and other investments. As such, Central Bank approval and confirmation of notice are required for all capital account transactions that involve residents and non-residents.

#### **Requirements for Portfolio and Capital Investments:**

In accordance with Statutory Instrument NO. 106 of 2020, amendment to the Exchange Control Regulations Act, the sale of shares to non-residents requires prior written notice to the Central Bank, providing full particulars of the transaction.

#### **Requirements for an External Investment:**

The specific permission of the Central Bank is required for all overseas (outward) investments between residents and non-residents as per Section 15 (1) and 15 (2) of the Exchange Control Regulations Act, 2003.

#### **Requirements for Notice of Transfer of Land in Belize:**

In accordance with Statutory Instrument NO. 106 of 2020, amendment to the Exchange Control Regulations Act, the sale of real property to or by non-residents requires prior written notice to the Central Bank, providing full particulars of the transaction. The Central Bank's prior written notice 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.

#### **Requirements for External or Foreign Currency Loans:**

Pursuant to section 28 (3) of the Exchange Control Regulation Act, Revised Edition 2003 (Regulations) and paragraph 3 of Direction 12 of 2014, the specific permission of the Central Bank is required for the granting of any advance (whether by way of loan or overdraft) to a locally incorporated company with foreign shareholders or to non-residents.

#### **Requirements for Non-Resident Belize Dollar Account:**

On 19 June 2017, the domestic banks were delegated authority to open accounts for the following categories of non-residents:

- Non-residents living and working in Belize
- Non-residents living and studying in Belize
- Non-resident under the Qualified Retirement Programme
- Non-residents that owns property in Belize
- Belizeans living abroad

- Foreign embassies and their diplomats
- Non-residents as joint account holders with relative or spouse
- Companies with non-resident signatories
- Overseas companies registered to do business in Belize with non-resident signatories

All other non-residents' requests for Belize dollar accounts that fall out of the scope of the above-given authority must be referred to the Central Bank for exchange control permission by an authorised dealer.

### **Requirements for Foreign Bank Account:**

Pursuant to Section 2 of the Exchange Control Regulations Act, Revised Edition, 2003, all residents of Belize who receives foreign currency must surrender same to an authorized Dealer in Belize, unless the Central Bank has given permission for its retention or use. Therefore, legal entities and/or individuals must apply in writing to the Central Bank of Belize to operate a bank account with a financial institution abroad since the funding of such an account with foreign currency represent the retention of the foreign currency by the resident.

Pursuant to Section 8 (2) of the Exchange Control Amendment Regulations, 2020 stipulates that the prior written notice to the Central Bank providing full particulars of the transaction must be obtained where non-residents want to form companies under the Companies Act.

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.

Pursuant to Section 8 (1) of the Exchange Control Amendment Regulations, 2020 states Except with prior written notice to the Central Bank providing full particulars of the transaction, 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.

## **VI. IMPORT/EXPORT REGULATIONS**

### **A. *Customs Regulations***

#### **Importation from Caricom:**

Importation from Countries Within the Caribbean Common Market (Caricom) Imports from Caricom Countries are exempted from the payment of import duty provided the importer produces a Certificate of Origin from the country within the Common Market certifying that the goods were produced within the region of the common market. Some commodities imported from Caricom pay Revenue Replacement Duty (RRD). There are restrictions for certain commodities imported from Caricom and require an Import License from Ministry of Trade prior to importation.

### **Importation of Goods:**

The importation of some live animals, foodstuff, plant and plant materials, veterinary vaccines require an import permit (view list) from the Ministry of Agriculture and is subjected to inspection at the time of importation by Quarantine Inspectors. General Sales Tax is charged at a rate of 12.5% based on the aggregate of the customs value and any other relative duty (Import Duty, Environmental Tax and RRD if applicable). Some commodities are exempt from the payment of General Sales Tax at the time of importation.

**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.

### ***B. Exports***

As of 2020, Belize's export-reach has reached to over eighty (80) countries in the last five years, from large traditional markets like the United Kingdom (UK) and the USA, to growing markets like Hong Kong, Egypt, Pakistan, Saudi Arabia and even on to smaller

markets like St. Maarten and Aruba. Like in most developing countries, the import trade exceeds the level of export trade due to the level of industrialization and market size in the national economy. Sugar, Bananas and Orange juice continue to dominate strongly; some levels of export diversification are emerging however, with increased production of Grains, Beans, Animal Feed, Woods and Marine products.

A synopsis of Belize's export trade markets in 2019 indicates the UK and the US have absorbed about 57% of Belize's goods. Traditionally, these two markets are, and continue to be, the most significant import trade partners for Belize. With the decline of petroleum, papayas and other key crops, the UK has overtaken the US to be Belize's biggest importer.

Belize is a member of CARICOM and has duty free access to the 13 members of the common single market. Also, the duty-free access for most goods into the EU under the EU-CARIFORUM Agreement, and preferential treatment that exists for the United States under the Caribbean Basin Initiative, provide significant market access that have not been fully exploited yet. A Partial Scope Agreement with Guatemala also opens a key market to Guatemala – the doorway to the larger Central America market.

Collaboration between various Ministries is pushing for further diversification for the export market by enhancing development of industries such as: Honey, Cattle, Poultry, Turmeric, Cacao, Coconut, Furniture of exotic woods, Soybeans, and various others. With the appropriate amount of arable land to supply the large markets in the neighbouring countries and the CARICOM marketplace, it's only practical for Belize to expand its production lines of goods to accommodate while becoming less vulnerable on a handful on goods and few traditional markets in the process.

### ***C. Foreign Trade Regulations***

Belize is a small open economy with a traditional agricultural export base and an expanding services sector. Its geographic location in Central America and historic linkages to the Caribbean provides the opportunity to further develop and sustain regional networks of trade and economic cooperation. As a member of the WTO, Belize can benefit from the WTO's trade rules and dispute settlement mechanism should its trading partners breach these rules. Belize would find it difficult to persuade large countries to change a trading practice that negatively affect trade had it not been a member of the WTO.

Since the WTO operates by consensus, the opinion of every member carries the same weight and therefore, all members must agree before a decision is made. This means that progress can be slow, but once an agreement is reached, all members are obliged to honour it. This system works to Belize's advantage in four significant ways:

- Belize can trade under WTO Agreements
- Belize has an avenue to settle trade disputes.
- Belize is able to participate in World Trade negotiations.
- Belize is able to participate in Trade Policy Reviews

## *WTO Agreements*

At the heart of the WTO are the multilateral trade agreements. These are the legal ground rules for international trade covering goods, services, and intellectual property that all WTO members must follow:

### *Rules for Trade in Goods*

The rules on trade in goods are found in the General Agreement on Tariffs and Trade (GATT). The GATT aims to ensure a substantial reduction of tariffs and other trade barriers and the elimination of preferences, on a reciprocal and mutually advantageous basis". The GATT is complemented by a large number of subsidiary agreements and annexes, dealing with various issues related to trade in goods.

These include:

- Agreement on Agriculture
- Agreement on the Application of Sanitary and Phytosanitary Measures (EPE)
- Agreement on Technical Barriers to Trade (TBT)
- Agreements on Subsidies and Countervailing Measures
- Agreement on Import Licensing

### *Rules for Trade in Services*

The General Agreement on Trade in Services (GATS) is a set of rules covering trade in services such as education, tourism, financial services, accountancy, legal services, and management consulting. Its objective is to ensure that such trade takes place under clear and predictable rules. Belize along with other WTO members have made some legally binding commitments to treat foreign service providers in the same way national services providers would be treated.

## **VII. STRUCTURES FOR DOING BUSINESS**

**A. *Limited liability Companies:*** A Belize Company is a legal vehicle that may be incorporated by share capital or guarantee members with limited liability. Pursuant to The Belize Companies Act No. 11 of 2022, the following types of companies may be formed to conduct business in Belize:

- (i) A limited liability company with authorized share capital of \$50,000.00 divided into 50,000 shares of \$1.00 par value each, or a lesser share capital of \$1.00 par value each.
- (ii) A limited liability company that is authorized to issue a maximum amount of 50,000 shares without par value or of a lesser share capital without par value.
- (iii) A foreign company under the laws of Belize.
- (iv) To continue a foreign company under the laws of Belize.

- (v) A limited liability company, not-for-profit, for charitable and or non-charitable purposes, limited by guarantee that is not authorized to issue shares.
- (vi) A Limited liability company, limited by guarantee for charitable purposes and or non-charitable purposes, that is authorized to issue shares.

The Company is required to maintain accounting records for a minimum of five (5) years. The Company is required to maintain accounting records within Belize at its Registered Office or office of its Registered Agent in Belize.

**Business Tax:**

- All companies are now liable to taxation in Belize, to register with the Belize Tax Services Department, obtain a TIN, and are required to pay business tax and capital gains on realization of an asset in Belize.
- The rate of Business Tax varies from 0% to 19% depending on the nature of the business activity and is payable on filing of business tax return.

**B. *Business Names:*** A Business Name is a legal vehicle which may be owned by an individual, partnership or corporation.

**C. *International Limited Liability Companies:*** An International Limited Liability Company (ILLC) is a legal vehicle owned by members. An (ILLC) can only be incorporated by a Licensed Registered Agent.

**D. *Non-Profit Organisations:*** A Non-Profit Organisation (NPO) as defined in the Non-Profit Organisation Act No. 14 of 2023 is defined as a company or body of persons whether incorporated or unincorporated, or a trust or other legal arrangement established or which identifies itself as established primarily for the promotion of charitable, philanthropic, religious, cultural, educational, social or fraternal purposes, or other activities or programs for the benefit of the public or a section of the public within Belize or elsewhere, and which raises or disburses funds within Belize or elsewhere, for that purpose or object. This Act is intended to protect NPO's from terrorist financing abuse and satisfy AML requirements. Registration of an NPO with the Financial Services Commission via the Belize Corporate and Companies Affairs Registry is also required.

**E. *Non- Governmental Organisation (NGO):*** As per the Non- Governmental Organisations Act, a Non-Governmental Organisation (NGO) is defined as a legal entity formed as a company limited by guarantee under the Belize Companies Act, No. 11 of 2022, whose aims, nature and objects, direct or indirect, are consistent with the principles enshrined in the preamble to the Belize Constitution and the Universal Declaration of Human Rights and all those international and regional human rights treaties and instruments to which Belize is a party, and are designed to contribute to sustainable human development in Belize.

**F. *Limited Liability Partnership (LLP):*** Limited Liability Partnership (LLP) is a legal vehicle for a partnership. Each partner has limited personal liability for debts or claims of the partnership. Partners of an LLP aren't held responsible for the acts of other partners.

**G. *International Trust:*** An International Trust is a legal vehicle that provides asset protection. An International Trust can only be incorporated by a Licensed Registered Agent. The Trust legislation 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 tax advantages, provided two conditions are met. If in a particular year neither the creator of the trust nor the beneficiaries are 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.

**H. *International Foundation:*** An International Foundation is a legal vehicle that is defined as a foundation where (a) the founder of any person who has contributed assets to the foundation otherwise than for full consideration is not resident in Belize, (b) none of the beneficiaries of the foundation is resident in Belize, and (c) the foundation endowment does not include any land situated in Belize or the shares of any company beneficially owning any land situated in Belize other than property for use as an office for the administration of the foundation.

An International Foundation can only be incorporated by a Licenced Registered Agent. 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. 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.

## **VIII. REQUIREMENTS FOR THE ESTABLISHMENT OF A BUSINESS**

### **A. *Reporting Requirements***

- *Is the business subject to any alien business law?* No, however, non-residents are required to obtain central bank receipt of notice if they want to own shares in a local limited liability company.

- *Are there reporting requirements?* Every Company is required to file a formal Notice of appointment of Registered Agent and Office in the Registry within 6 months of re-registration. The Registered Agent and Office fee is US\$300.00 per annum. All companies are required to maintain accounting records for a minimum of five (5) years and required to pay annual fees and file and annual return once in each calendar year after incorporation in the companies' registry. All Companies renewals are now due for filing on the 1<sup>st</sup> of January each year and before June thereof. The annual maintenance fee is US\$450.00 for annual renewal and RA/RO services.

Also, foreign companies registered under the Belize Companies Act, 2020 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.

**B. *Antitrust Laws***

- *Do the entity's operations comply with anti-trust laws?* No (but there are discussions 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, licenses, 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/ Licenses/Permits***

- *Are government approvals or licenses required for the anticipated business?* The Business may require licenses, permits, and environmental clearance from the respective government or local authorities to conduct its business in the various municipalities. For example: a hotel license, liquor license, a dock permit, a trade license, a gun license, a gaming license and a forestry license are required. 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.

## ***E. Insurance***

• *Must the enterprise carry insurance?* Not 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.

## **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 Cap. 261:01, Revised Edition, 2020, 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 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:

The Belize Companies Act, 2020 (including overseas companies registered under this Act

CAP 271-- Protected Cell Companies Act.

CAP.270:01 --- International Limited Liability Companies Act.

CAP. 24:02 ---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 organizations registered under the Non-Governmental Organizations 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 recognized 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. The Belize Bureau of Standards (BBS) is a government department under the Ministry of Agriculture, Food Security and Enterprise. The BBS is recognized under the Standards Act, Chapter 295 of the Revised Laws of Belize as the National Standards Body. Its purpose is to facilitate the development of national standards by promoting the use and harmonization of standards for sustainable production in the trade of goods and services.

At its core, the BBS is the national center for promoting efficiency and competitive production in goods and services, with Quality Infrastructure (QI) serving as the foundation in achieving this objective. The pillars of Standardization, Metrology, Conformity Assessment (sampling, testing, calibration, inspection, certification procedures) and Accreditation combined, serve to ensure that goods and services, whether produced domestically or imported, meet established regulatory requirements, such as those relating to the health and safety of consumers and the environment. The Bureau is essentially responsible to protect, secure and safeguard the welfare of the country, a function carried out through the Consumer Protection Unit

## ***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, the location of the premises and 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.

Applicants 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 trademarks 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. Trademarks 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 trademark 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 the 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 trademark in Belize.

The cost including legal fees for the registration of a trademark in one class is US\$683.59. 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 5<sup>th</sup>, 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 9<sup>th</sup>, 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 a 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.

**Trademarks:**

The cost including legal fees for the registration of a trademark in one class is US\$683.59.

<b>REGISTRATION OF TRADEMARK</b>					
Multi-Class Application (maximum 5 classes)					
	Class				
	Filing	Legal	Class	Courier	TOTAL
	fee	fee	fee		
<b>1 Class</b>	240.00	378.00		65.59	US\$683.59
<b>2 Classes</b>	240.00	480.00	51.00	65.59	US\$836.59
<b>3 Classes</b>	240.00	480.00	102.00	65.59	US\$887.59
<b>4 Classes</b>	240.00	480.00	153.00	65.59	US\$938.59
<b>5 Classes</b>	240.00	480.00	204.00	65.59	US\$989.59

The cost to conduct a search is US\$147.32\_[\$11.00 filing fee+\$101.00 legal fees+\$35.32 bank charges and the results will be provided within 2-3 business days.  
Recordal of Change of Name/Address- US\$227.00

**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*

Forfeiture of shares- Section 52.– (1) The articles or by-laws of a company, or the terms on which shares in a company are issued, may contain provisions for the forfeiture of shares which are not fully paid for on issue. (2) Any provision in the articles or by-laws, or the terms on which shares in a company are issued, providing for the forfeiture of shares shall contain a requirement that a written notice of call specifying a date for payment to be made shall be served on the member who defaults in making payment in respect of the share.

Company may purchase, redeem or otherwise acquire its own shares- Section 59.–(1) Subject to section 57, a company may purchase, redeem or otherwise acquire its own shares in accordance with either– (a) sections 60, 61 and 62; or (b) such other provisions for the purchase, redemption or acquisition of its own shares as may be specified in its articles or by-laws. (2) Sections 60, 61 and 62 do not apply to a company to the extent that they are negated, modified or inconsistent with provisions for the purchase, redemption or acquisition of its own shares specified in the company’s articles or bylaws. (3) Where a company may purchase, redeem or otherwise acquire its own shares otherwise than in accordance with sections 60, 61 and 62, it may not purchase, redeem or otherwise acquire the shares without the consent of the member whose shares are to be purchased, redeemed or otherwise acquired, unless the company is permitted by the articles or by-laws to purchase, redeem or otherwise acquire the shares without that consent.

Capacity and powers – Section 28 (1) stated that subject to this act, any other enactment, and its articles and bylaws, a company has, irrespective of corporate benefit, full capacity

to carry on or undertake any business or activity, do any act or enter into any transactions. Section 28 (2) without limiting subsection 1, the powers of a company include the power to do the following- a) unless it is a company limited by guarantee or an unlimited company that is not authorized to issue shares – i) issue and cancel shares and hold treasury shares, ii) grant options over unissued shares in the company and treasury shares, iii) issue securities that are convertible into shares and iv) give financial assistance to any person in connection with the acquisition of its own shares.

### ***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 license 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 license 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 a hotel license 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 license 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 license 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?* A 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 regarding the restructuring of the business?* No restructuring provisions.

## **XI. LABOR LEGISLATION, RELATION, AND SUPPLY**

### **A. *Employer/Employee Relations***

• *What laws govern employer/employee relations?* The Labour Act, Chapter 297, Revised Edition, 2020 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 a 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 if 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?* In accordance with the Wages Council (Wages Regulation) (Consolidation) (Amendment) Order, 2022, Statutory Instrument No. 169 of 2022, and Wages Regulation (Manual Workers) (Amendment) Order 2022, Statutory Instrument No. 170 2022, the minimum wage for all categories of workers, the minimum wage is now \$5.00 per hour effective January 1, 2023.

- *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; and
- (d) 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 out.

• *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,

<b><u>Period of Employment</u></b>	<b><u>Notice Period Required</u></b>
------------------------------------	--------------------------------------

For more than 2 weeks but not more than 6 months	One week
--	----------

For more than 6 months but not more than 2 years	Two weeks
--	-----------

For more than 2 years but not more than 5 years	Four weeks
---	------------

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 the 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 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 link below for details.

[63976e6032352\\_Cap\\_55\\_Income\\_and\\_Business\\_Tax\\_Act.pdf \(agm.gov.bz\)](#)

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

[63976e6032352\\_Cap\\_55\\_Income\\_and\\_Business\\_Tax\\_Act.pdf \(agm.gov.bz\)](#)

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 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.

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 the Income and Business Tax Act, on all receipts as defined in the Act, 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 Schedule IX to the Act.

**SCHEDULE IX**

**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 items ....  
.....1.75%
- (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 be .....5%
- (i) Interest on loans paid to non-residents .....15%
- (j) Receipts of a financial institution licensed under the Banks and Financial Institutions Act.....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 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 authorizing 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 US\$902.50 inclusive of Legal fees and filing fees, and provisions of registered agent and registered office address.

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 US\$902.50 inclusive of Legal fees and filing fees, and provisions of registered agent and registered office address.

#### ***G. Sales Tax or other Turnover Tax***

- *What is the system of sales tax?* General Sales Tax (GST)

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 fit, 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. The 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, Invalidity 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 14<sup>th</sup> day of each month for the previous month. The monthly contribution statement (FIN15A) is also due by the 14<sup>th</sup> 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?* Yes, all taxes must be paid such as business tax, Property tax, general sales tax, income tax, stamp duty tax.

## ***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 & Barbuda,
- 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 United Arab Emirates (UAE)

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)
- India – Belize (20 September 2013)
- Poland – Belize (June 15<sup>th</sup>, 2013)
- South Africa – Belize (7<sup>th</sup> June, 2014)
- The Czeck Republic (July 30<sup>th</sup> 2016)

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

#### **L. Territoriality Rules**

All companies must pay business taxes of the interest receipts, cash or accrued.

Only a non-included entity which has a Certificate of Tax Exemption (CTE) issued by the Belize Tax Service Department is exempt from paying taxes on worldwide income.

A non-included entity is an entity that is not performing a relevant activity pursuant to the Economic Substance Act, 2020.

Companies which fall under the scope of being a non-included entity. The company must meet the following criteria:

- The company is a non-included entity pursuant to the Economic Substance Act.
- The company must be in good standing with the Belize Companies and Corporate Affairs Registry (BCCAR).
- The company is tax resident in another jurisdiction other than a blacklisted jurisdiction.
- The business entity has no central management and control of the Company in Belize
- The business entity has no permanent establishment or relevant activities in Belize.
- The business entity has no Ultimate Beneficial Owners resident in Belize.
- The business company has met the conditions under Section 106 of the Income and Business Tax (Amendment) Act, 2019 (No. 25 of 2019).

The company has obtained a TIN number in Belize from the BTS

#### **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.)

- *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.) 15% of interest paid on loans to a non-resident.

*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.

Commissions, royalties, discounts, dividends, winnings from lotteries, slot machines and table games.....15%  
25% on management fees, royalties, rental of plant, machinery and technical services paid to non-residents of Belize.

### **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 \$26,000.00-----the personal relief is \$25,6000.00.
- (b) in the case of an employed individual whose total income in a basis year from all sources is between \$26,000.01 and \$27,000.00-----the personal relief is \$24,600.00.
- (c) in the case of an employed individual whose total income in a basis year from all sources is between \$27,000.01 and \$29,000.00-----the personal relief is \$22, 600.00.
- (d) in the case of all other employed individuals earning 29,000.01 and over ----- the personal relief is \$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 the Income and Business Tax 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 IX Schedule to the Act.

SCHEDULE IX

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 items ....1.75%
- (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 be .....5%
- (i) Interest on loans paid to non-residents .....15%
- (j) Receipts of a financial institution licensed under the Banks and Financial Institutions Act.....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?* Monthly
- *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.

**XIV. MISCELLANEOUS TAXES DUE**

**A. 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				
AGRICULTURAL	COROZAL AND ORANGE WALK	CAYO	BELIZE	STANN CREEK	TOLEDO
30 acres or less	\$100	100	100	100	50
31 acres 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.

### ***B. Stamp duty Tax***

Stamp duty shall be payable on the value of the property conveyed by any conveyance or transfer operating as a voluntary disposition inter vivos as if it were a conveyance on sale.

Section 72.-(1) states that Subject to sub-section (3), there shall be paid a duty at the following rates on the value of the land or of the amount of the consideration, whichever is the greater, in respect of a transfer of land, whether by sale, exchange or gift, or pursuant to testamentary disposition or devolution on intestacy, Value of land Rate of Stamp Duty Not exceeding \$20,000 on an amount in excess of \$20,000, - 0% (EXEMPT) (a) where the transferee of land, being a natural person, is a citizen of Belize -- 5% (b) where the transferee of land is a Belizean company -- 5% (c) where the transferee of land is a CARICOM national, acting for purposes directly related to the exercise by that national of a right of establishment or the right to provide a service in Belize-- 5% (d) in the case of any person not specified in paragraph (a), (b) or (c)-- 8%

(2) Stamp duty at the applicable rate specified in sub-section (1) is payable in respect of— (a) a settlement of land or other trust arrangement facilitating the participation by any person as a beneficiary under a trust, in any interest in land, whether or not the trust involves other property which is not land and notwithstanding anything in the Trusts Act, and the beneficiary is not a citizen of Belize; (b) an instrument transferring land as part of a company's assets to a successor company, whether by way of acquisition, merger or otherwise; or (c) an instrument that involves the transfer of an equitable or beneficial interest in land or an agreement to transfer an equitable or beneficial interest in land, to a transferee that is neither a citizen of Belize nor a Belizean company, as the case may be.

(3) A transfer of land to a citizen of Belize or to a Belizean company, by way of testamentary disposition or devolution on intestacy, or settlement or other arrangement specified in subsection (2) (a), is exempt from the payment of duty under this section.

Section 73A. of the Stamp Duties Act states that (1) There shall be paid by a purchaser or occupier of land under an agreement for the sale, exchange or gift of land whether or not the agreement includes a clause giving the purchaser or occupier a right of possession or occupation to the land, stamp duty at the applicable rate specified in section 72, of the value of the land or the amount of consideration, for the land, whichever is greater. (2) Sub-section (1) shall apply only where the land has not been transferred as provided in section 72(1). (3) Where a company— (a) owns lands; and (b) sells the shares in the land, or in any development carried out on the land to any person and the person who purchases the shares or an interest in the development carried out on the land possesses special rights as a result of such purchase which may include— (i) the right to possession or occupation of a piece or the whole of the land; (ii) the right of access to the common areas of the land; or (iii) other customary rights of share-holder, there shall be paid by the company, on the issuance of such shares or interest which create the special rights referred to in paragraph(b), stamp

duty at the applicable rates specified in section 72, of the value of the land or the development, as the case may be.

(4) Sub-section (3), shall apply to a person, a group of persons, an entity or an unincorporated group of persons, so that– (a) references to a “Company” in that sub-section and section 72 shall be read and construed as references to the person, group of persons, entity or unincorporated group of persons; and (b) references to “shares” in that sub-section and section 72 shall be read and construed as references to some other mechanisms used to create the special rights specified in subsection(3)(b). (5) An agreement, instrument, deed or share referred to in sub-section (1) or (3), or in section 71(4) shall, unless the stamp duties payable therefor have duly been paid– (a) be incapable of creating or transferring any legal rights or interests; and (b) have no effect unless and until registered.

Section 74 of the Stamp Duties Act states that (1) On every permit issued by a bank for the purchase of foreign currency under the Exchange Control Regulation Act, or regulations made thereunder, there shall be paid by the applicant therefor a stamp duty of 1.75 per-centum of the price of the foreign exchange or of the value in Belize dollars of the transaction, whichever is the greater, Provided however, that this provision shall not apply to any foreign exchange transaction of one hundred dollars or less.

Section 75 of the Stamp Duties Act states that There shall be paid for the processing of a temporary employment permit pursuant to its issue as provided by section 16 of the Immigration Act, a stamp duty of twenty dollars.

### ***C. 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

### ***D. Taxation of Benefits in Kind***

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

## **XV. COURT SYSTEM OVERVIEW**

### ***A. Courts***

#### **The High Court**

High Court of Belize is established as a superior court of record under sections 94 and 95 of the Constitution. The Court has unlimited original jurisdiction to hear and determine any civil or criminal proceedings under any law. The Court also hears and determines any appeals arising from any decision of an inferior court. There are currently 8 Judges of the Supreme Court including the Chief Justice.

The High Court sits in its Civil Division in Belize City and in three Districts sits in its criminal jurisdiction namely:

1. The Northern District (comprising the Districts of Corozal and Orange Walk).
2. The Central District (comprising the Districts of Belize City and Cayo).
3. The Southern District (comprising the Districts of Stann Creek and Toledo).

The administration of the High Court of Belize is directed by the Chief Justice and the Registrar General.

The Registrar of the Senior Court is also in charge of the High Court Registry. The Registrar whose functions are both judicial and administrative is assisted by the two Deputy Registrars and an Assistant Registrar.

The civil division of the Court also has jurisdiction to deal with matrimonial and family matters including property rights, divorce proceedings (and other matters ancillary thereto) and adoptions.

### **The Court of Appeal**

The Court of Appeal exercises an appellate jurisdiction with power to hear and determine appeals in both civil and criminal matters.

The court held its first sitting in Belize on March 25, 1969, and now sits three times a year in March, June, and October. The duration of each session depends on the number of matters scheduled for hearing in a particular session. Presently, each session lasts three weeks with the dedication of the first two weeks of the session primarily to the hearing of criminal appeals. A panel of three judges presides at any one time upon the hearing of any civil or criminal matter.

There are currently four judges of the Court of Appeal which comprises of the President, who is presently a resident Belizean and three other judges, two of which are from the Commonwealth Caribbean.

### **The Caribbean Court of Justice (CCJ)**

The Caribbean Court of Justice (CCJ) was established in 2001 in Port of Spain, Trinidad and Tobago. It has two jurisdictions: an original jurisdiction and an appellate jurisdiction. In its original jurisdiction, the CCJ is an international court with compulsory and exclusive jurisdiction in respect of interpretation and application of the revised Treaty of Chaguaramas in its appellate. In its appellate jurisdiction, the CCJ hears appeals as the final court both in Civil and Criminal matters. Member states who have acceded to it as their final court as of 2011 are Barbados, Belize and Guyana (Prior to the CCJ, Belize's final court was the British Privy Council).

In 2009, a constitutional amendment was introduced in the Legislature of Belize providing for its accession to the appellate jurisdiction of the CCJ with effect from June 1, 2010. This legislation is the Caribbean Court of Justice Act No 5 of 2010 which sets out the guidelines and procedures of the Court as it pertains to Belize as our final court.

Permission to appeal to the Caribbean Court of Justice is required and must be sought for from the Belize Court of Appeal. Some appeals are as of right, and the legislation stipulates the determination of these. In the granting of leave to appeal to the Caribbean Court of Justice, there are certain conditions which are required to be met and the Court stipulates these in accordance with the legislation.

For more information on the Judiciary, visit <https://www.belizejudiciary.org/>

### ***B. Statutes of limitation***

The following actions shall not be brought after the expiration of six years from the date on which the cause of action accrued, (a) actions founded on simple contract or on tort; (b) actions to enforce a recognisance; (c) actions to enforce an award, where the submission is not by an instrument under seal; (d) actions to recover any sum recoverable by virtue of any enactment, other than a penalty or forfeiture or sum by way of penalty or forfeiture. 5. An action for an account shall not be brought in respect of any matter which arose more than six years before the commencement of the action

An action shall not be brought upon any judgment after the expiration of twelve years from the date on which the judgment became enforceable, and no arrears of interest in respect of any judgment debt shall be recovered after the expiration of six years from the date on which the interest became due.

An action to recover any penalty or forfeiture, or sum by way of penalty or forfeiture, recoverable by virtue of any enactment shall not be brought after the expiration of two years from the date on which the cause of action accrued,

### ***C. Recognition And Enforcement of Foreign Judgments***

- Where actions come within the exclusive jurisdiction of more than one court, any court other than the court first seized must decline jurisdiction in favour of the court first seized. In cases where exclusive jurisdiction is given to the courts of another state, a Belize court would not be entitled to assume jurisdiction.

A judgment obtained in a foreign country will not be automatically recognized or enforced in Belize. However, it may be enforceable by a separate action on the judgment obtained and must be sued upon *de novo*, as a bare contract debt, to be enforceable in accordance with the Reciprocal Enforcement of Judgment Act (Chapter 171) of the Laws of Belize, 2020. A foreign judgement for a sum of money obtained against a company in a jurisdiction other than Belize may be registered and enforced in Belize on application to the Supreme Court of Belize within twelve months after the date of the judgement or such longer period as may be allowed by the Supreme Court of Belize without re-examination of the issues provided that:

- (a) the foreign court had jurisdiction in the matter;
- (b) the foreign judgement was not in respect of any penalties, taxes, fines or similar fiscal or revenue obligation;
- (c) the judgement was final and conclusive;
- (d) the judgement was for a definite sum;
- (e) there was no fraud by the judgement creditor or the Court in obtaining the judgement;
- (f) the recognition and enforcement of the judgement would not be contrary to public policy;
- (g) the proceedings pursuant to which the judgement was obtained were not contrary to natural justice;
- (h) the judgement-debtor, being a person who was neither carrying on business nor ordinarily resident within the jurisdiction of the foreign court, did voluntarily appear or otherwise submit or agree to submit to the jurisdiction of that Court; and
- (i) the judgement-debtor was duly served with the proceed of the foreign court and did appear.

PROVIDED the Attorney General of Belize by declaration, extended the operation of Part II of the Reciprocal Enforcement of Judgments Act (Chapter 171 of the laws of Belize, Revised Edition 2000) to judgments from the courts of the foreign country based on substantial reciprocity of treatment by the courts of the foreign country to judgments from the High Court of Belize.

***D. Arbitration***

An arbitration award under the foreign country will only be recognized by and be enforceable in Belize in the same manner as reciprocity of foreign as above stated. The conditions for enforcement of such awards are that the award must have:

1. been made in pursuance of an agreement for arbitration which was valid under the law by which it was governed;
2. been made by the tribunal provided for in the agreement or constituted in manner agreed by the parties;
3. been made in conformity with the law governing the arbitration procedure;
4. been final in Singapore in which it was made;
5. been in respect of a matter which may lawfully be referred to arbitration under the Laws of Belize;

6. been a convention award and the enforcement thereof must not be contrary to public policy or the Law of Belize.

There is no preferred foreign arbitration court for Belize.

## **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***

**Visitor's permit:** The visitor's permit extension allows you to remain on condition that the holder does not enter into employment paid or unpaid and does not engage in any business or profession without the consent of the Director of Immigration and does not remain in Belize further than the expiration of permit.

The Visitor's Permit Extension allows you to stay in Belize for an additional 30 days. The Visitor's Permit Extension fee is BZ\$200.00 for all nationals.

#### *Who can Qualify?*

Persons who want to extend their holidays in Belize or persons investigating the possibilities of settlement.

Persons who require a visa (see Visa Section) after a predefined number of extended days in Belize, must acquire that visa before being issued a visitor's permit extension.

Holders of a Belize visa may qualify for visitor's permit extension.

\* *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.

**Long Stay Permit:** A Long Stay Visitor Permit is a permit granted to any person who intends to stay in Belize for a period not exceeding 6 months. A Long Stay Permit is valid for 6 months after the date issued. The fees are USD \$500 per Adult and USD \$200 per Child.

### **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

### **D. 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. An 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?* A 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).

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

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

## ***E. Residency***

### **Temporary Residency:**

You may apply for Temporary Residence if You provide details and evidence of investments in Belize valued at not less than BZ\$500,000.00 dollars.

The following documents must be provided.

1. title of real estate ownership
2. business or personal bank statements
3. company registration certificate or other certification showing your interest in a corporate body as owner of the body or of a Majority or controlling interest.
4. Trade license
5. Social security registration or card
6. General sales tax returns
7. Income tax returns

## **Permanent Residency:**

*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 for persons wanting to apply for residency?* 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*

Permanent Residence fees are based on applicant's nationality.

Permanent Residence fee for Minors is 50% of Adult Fee based on Nationality.

All fees are in Belize dollar.

<b>Nationality</b>	<b>Fees</b>
CARICOM Countries	\$1,000.00
Central American Countries, Mexico, and Dominican Republic	\$1,500.00
Commonwealth Countries	\$3,000.00
European Countries	\$6,000.00
Other Countries	\$4,000.00

## ***F. Citizenship by Registration***

### **Citizenship for Permanent Residence Holders**

1. You have been a holder of Permanent Residence for a minimum of 5 years.
2. You have been resident continuously in Belize, this means that upon being granted Permanent Residency you have not resided outside Belize for periods that exceed thirty consecutive days or accumulate to a total of three months in any twelve-month period.

### **Citizenship through Marriage**

1. You are married to a Belizean National for a minimum of 1 year, whether the spouse was born in Belize or had acquired Citizenship before the time of marriage.

### **Citizenship by Descent**

1. You were born outside of Belize and one of your parents is a Citizen of Belize.
2. You were born outside of Belize before Independence Day (21 September 1981) and one of your grandparents is a Citizen of Belize.
3. You are a woman and were married before Independence Day (21 September 1981) to a Belizean husband.

## ***G. Qualified Retirement Program***

The Qualified Retirement Program (QRP) was created to facilitate eligible persons who have met the income requirements, to permanently live and retire and relax in Belize.

### **Who Qualifies?**

Any person 45 years or older

Dependents include spouse and children under 18 years Must be the beneficial recipient of a retirement income of \$2K monthly or \$24K annually generated from a source outside of Belize in an approved foreign currency [US Dollar, Pound Sterling, The Euro and Canadian Dollars].

Retirement Income includes:

Pension

Annuity

Social Security Benefits

Investment Account

Inheritance

Reverse Mortgage

Personal Savings

Retirement Contribution Plans

And other means of retirement income

Must be able to provide a written undertaking to deposit the requisite amount in a bank, credit union or licensed financial institution in Belize Must pass a security clearance check carried out by the Ministry of National Security in Belize Must be able to remain in Belize for a minimum of 30 consecutive days annually.

Qualifying Countries include:

All Commonwealth countries excluding Belize United States of America Member States of the European Union [EU] Asian-Pacific countries of Australia, Bangladesh, China, India, Indonesia, Japan, Laos, Malaysia, Myanmar, New Zealand, Pakistan, Philippines, Singapore, South Korea, Sri Lanka, Taiwan, Thailand, and Vietnam.

All South American Countries.

### ***Incentives and Benefits***

Any person who has been accepted into the QRP Program is entitled to the following under the Belize Retired Persons Incentives Act

- *Belize Residency Status* – QRP’s and their dependents shall receive a QRP Resident Card to reside in Belize allowing multiple entries into the country without a Visa. *\*Resident card to be renewed annually \*Link to renewal process*
- *Duty Exemptions* – QRP’s shall be entitled to import duty and tax exemption on the following, for personal use only, within the first year of acceptance into the program.
  - Household & Personal Effects *multiple entries allowed with no limit on the dollar value of effects.*
  - Motor Vehicle [*Model must be within the last 5 years*] – QRP’s are allowed to purchase a new vehicle every four [4] years with proper disposal of the previous vehicle.
  - Light Aircraft [*Model must be less than 17,000 kg*]
  - Motorboat
- *Tax Exemptions* – QRP’s shall be exempted from all taxes and duties on income received from a source outside of Belize, capital gains tax and inheritance tax.
- *Ease of purchasing land* – QRP’s are entitled to purchasing land for the construction of a home or purchasing a home for residential use only.
- *Dependent Benefits*
  - Engage in any employment in Belize.
  - Carry on any business, trade, or profession within Belize if such business relates to activities carried on mainly outside of Belize and conducted exclusively with persons not resident in Belize.
  - Make any investment in Belize.
  - Practice philanthropy in Belize

## **XVII. EXPATRIATE FACTORS**

### ***A. Driver’s License***

- *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- \$30.00
- *Is an examination, either practical or written, required?* General Medical Exam as well as a written and practical exam.

## ***B. 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 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

### **C. 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\$60.00 to US\$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.

- *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

### **D. 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. The 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 considering 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.)

The Cabinet then decided 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 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)

***E. Work Contracts***

• *Does the investor need a work contract to work in the country?* Our law allows for formal and informal contacts.

• *If so, does the contract have to be for a 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

**Prepared by Barrow & Williams LLP**

**Equity House, 84 Albert Street, P.O. Box 617**

**Belize City Belize, Central America**

**Tel: +501 227-5280 Fax: +501 227-5278**

**E-Mail: [attorneys@barrowandwilliams.com](mailto:attorneys@barrowandwilliams.com) Website: [www.barrowandwilliams.com](http://www.barrowandwilliams.com)**