

No. 3] *International Business Companies (Amendment) Act* [2017.

I ASSENT

[L.S.]

PEARLETTE LOUISY,
Governor-General.

April 17, 2017.

SAINT LUCIA

No. 3 of 2017

AN ACT to amend the International Business Companies Act,
Cap. 12.14.

[18th April, 2017]

BE IT ENACTED by the Queen's Most Excellent Majesty, by
and with the advice and consent of the House of Assembly and the
Senate of Saint Lucia, and by the authority of the same, as follows:

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Short title

1. This Act may be cited as the International Business Companies (Amendment) Act, 2017.

Interpretation

2. In this Act, “principal Act” means the International Business Companies Act, Cap. 12.14.

Amendment of section 2

3. Section 2 of the principal Act is amended—

(a) by inserting in the correct alphabetical sequence the following definition —

““head office company” means an international business company —

(a) with one or more subsidiaries operating within or outside Saint Lucia;

(b) which employs not less than ten persons;

(c) which owns or leases a physical premise for a period of not less than two years; and

(d) which is declared to be a head office company under section 113A (1);”;

(b) by inserting immediately after subsection (11), the following new subsection (12) —

“(12) In this Act, a company is a subsidiary of a company if it is controlled by a person if any shares of the company carrying voting rights sufficient to elect a majority of the company are, except by way of security only, held directly or indirectly by or on behalf of that person.”.

Amendment of section 7

4. Section 7 of the principal Act is amended by deleting subsection (1)(e) and substituting the following—

“(e) a statement of the authorised capital of the international business company setting out —

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- (i) the aggregate of the par value of the shares with par value that the international business company is authorised to issue, and
- (ii) the amount, if any, to be represented by shares without par value that the international business company is authorised to issue, or
- (iii) that the international business company is authorised to issue an unlimited number of shares;”.

Insertion of new section 113A

5. The principal Act is amended by inserting immediately after section 113 the following new section 113A —

“Concessions for a head office company

113A.—(1) An international business company may make an application in writing to the Minister to be declared a head office company and the Minister may, with the approval of Cabinet, by Order published in the *Gazette*, declare the international business company to be a head office company.

(2) Notwithstanding any other law, a head office company may elect under section 109 (1) (b) to be liable to income tax on the chargeable income of the head office company at a rate of one per cent.

(3) If a head office elects to pay tax under subsection (2), the head office company shall file an annual tax return based on annual audited financial statements.

(4) Notwithstanding any other law, the salaries of employees employed by the head office company and whose place of work is in Saint Lucia are exempt from income tax.

(5) Notwithstanding the Labour Act, Cap. 16.04, an employee of a head office company who is a foreign national and who is entitled to be in or enter Saint Lucia is exempt from the requirements of a work permit where, on application by that employee, the Minister responsible for labour grants a certificate of exemption, in the form prescribed under the Labour Act, Cap. 16.04.

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(6) The Minister may grant to a head office company a permit for importation free of customs duty materials, articles or equipment used exclusively by the head office company.

(7) A permit granted under subsection (6) must be in the prescribed form and is subject to the prescribed terms and conditions.

(8) The head office company may, on the production of the permit to the Comptroller of Customs, import free of customs duty but subject to the terms of the permit the materials, articles or equipment as are specified in the permit.

(9) The head office company is entitled to a refund of customs duties paid, if the head office company satisfies the Comptroller of Customs —

- (a) that the materials, articles or equipment have been purchased by the head office company in Saint Lucia in accordance with the terms of the permit;
- (b) that customs duties were paid on the importation of the materials, articles or equipment; and
- (c) of the amount of the customs duties that have been paid.

(10) The head office company is entitled, subject to subsection (11), to be paid such sum as the Comptroller of Customs thinks fit, if the head office company satisfies the Comptroller of Customs that —

- (a) the materials, articles or equipment have been purchased by the head office company in Saint Lucia in accordance with the terms of the permit;
- (b) customs duties were paid on the importation into Saint Lucia of the materials, articles or equipment; and
- (c) the amount of customs duties paid cannot be ascertained.

(11) Payment under subsection (10) shall not exceed the lowest rates of customs duties that have been in force at any time since the date of purchase by the head office company for the materials, articles or equipment.

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(12) The Comptroller of Customs may require that any materials, articles or equipment imported into or purchased in Saint Lucia under a permit, be marked in a prescribed manner.

(13) If materials, articles or equipment have been imported into or purchased in Saint Lucia under a permit, the head office company shall make an inventory, to the satisfaction of the Comptroller of Customs, of the materials, articles or equipment and the inventory shall be kept by the head office company while the permit subsists and thereafter it shall be kept by the manager or person in charge of the head office company.

(14) A head office company, manager or person in charge of the head office company that fails to comply with subsection (12) commits an offence and is liable on summary conviction to a fine not exceeding two thousand five hundred dollars.

(15) If the Minister is satisfied that materials, articles or equipment, for which a permit has been granted under this section, are no longer required for the purpose of the head office company on which the permit was based, the Minister may in writing authorise the head office company to dispose of the materials, articles or equipment in the manner and on the conditions as the Minister thinks fit.

(16) Materials, articles or equipment shall not be disposed of under subsection (15) within three years from the day of purchase unless the head office company has —

- (a) paid to the Comptroller of Customs; or
- (b) given security to the satisfaction of the Comptroller of Customs to pay,

customs duties or refunds given under subsections (9) and (10) applicable to the materials, articles or equipment to be disposed.

(17) A head office company for which materials, articles or equipment have been imported or purchased free of customs duty that, without authorisation, disposes of the materials, articles or equipment other than as provided for in the permit, commits an offence and is liable on summary conviction to a penalty of —

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- (a) three times the value of the materials, articles or equipment disposed of;
- (b) repayment of money refunded on the materials, articles or equipment under subsections (9) and (10); or
- (c) imprisonment for a term not exceeding one year in default of payment under paragraph (a) or (b).

(18) Notwithstanding this Act, a head office company may own immovable property that is to be used for its operations.”.

Passed in the House of Assembly this 4th day of April, 2017.

LEONNE THEODORE-JOHN,
Speaker of the House.

Passed in the Senate this 6th day of April, 2017.

ANDY G. DANIEL,
President of the Senate.