

SUMMARY OF BUDGET MEASURES 2016

- 1) Amend the Special Development Areas Act to extend its geographic coverage to include:
 - Northern Barbados: from Speightstown, St. Peter to Harrison Point, St. Lucy;
 - South-eastern Barbados: from St. Lawrence Gap, Christ Church to Ragged Point, St. Philip; and
 - The City of Bridgetown as defined by the Chief Town Planner in the Physical Development Plan of Barbados.
- 2) Put the administrative and legal arrangements in place for the creation of duty free shopping zones in Barbados opened to Barbadians and visitors alike making purchases in foreign currency only.
- 3) Amend the Tourism Development Act to permit eligible property owners in the sector to access concessions for multi-year refurbishment and renovation projects.
- 4) Remove the duty requirement for yachts staying in Barbados waters longer than 6 months and replace with an annual license fee of BDS \$2,000.00 per boat.
- 5) A reimbursable grant of up to \$50,000 to help local companies improve product and service quality to international standards.
- 6) Government to introduced and put in place a new Fiscal Incentives Act to conform to WTO requirements.
- 7) Creation of special fund, capitalized to the tune of \$50 million with resources from the Industrial Credit Fund for a blend of grants and soft loans to fund existing small and medium sized businesses and business start-ups.
- 8) Effective September 1, 2016, a National Social Responsibility Levy will be introduced at a rate of 2 percent on all imports into Barbados to assist in offsetting the costs associated with financing public health care service provision in Barbados.

- 9) 5 million dollars to go towards the initiation of a national clean-up and de-bushing programme to be implemented over the next 5 months to clean the country up.
- 10) An additional \$2 million will be allocated to the Welfare Department to supplement their 2016-2017 Estimates allocation.
- 11) Increase in the Bank Asset Tax from the current rate of 0.2 percent to 0.35 percent.
- 12) Tax amnesty for taxpayers across the tax categories of VAT, Income tax and Land tax from September 15, 2016 through to February 15, 2017.
- 13) 50 million dollar cut in approved expenditure across all Ministries in 2016-2017 financial year.
- 14) The Income Tax Act Cap. 73 and Income Tax Regulations, 1969 will be amended to make provision for individuals to withdraw from their *Registered Retirement Plan: Annuity Contract* an amount not exceeding 15 percent of the total value of the savings.
- 15) Effective October 1, 2016, old age non-contributory pensions will be increased by \$10 dollars a week or \$40 per month.
- 16) NIS to be invited to invest in a special Treasury Bill Issue of \$5,000,000 to provide an immediate injection to the Student Revolving Loan Fund.
- 17) Government to appoint all eligible temporary officers in the public service to permanent positions in the central public services.