

OBJECTS AND REASONS

This Bill would provide for

- (a) a room rate levy to be charged on tourist accommodation;
- (b) a product development levy to be charged on the services specified in paragraph 1 of the *Fourth Schedule* to the *Value Added Tax Act*, Cap. 87;
- (c) a shared economy levy to be charged on tourist accommodation owned or operated by persons who earn income from the tourism sector in Barbados, but who are not registered under the *Value Added Tax Act*, Cap. 87; and
- (d) related matters.

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BARBADOS

A Bill entitled

An Act to provide for

- (a) a room rate levy to be charged on tourist accommodation;
- (b) a product development levy to be charged on the services specified in paragraph 1 of the *Fourth Schedule* to the *Value Added Tax Act*, Cap. 87;
- (c) a shared economy levy to be charged on tourist accommodation owned or operated by persons who earn income from the tourism sector in

Barbados, but who are not registered under the *Value Added Tax Act*,
Cap. 87; and

(d) related matters.

ENACTED by the Parliament of Barbados as follows:

Short title

1. This Act may be cited as the *Tourism Levy Act, 2019*.

Interpretation

2. In this Act,

“ “A” class hotel” means a hotel with extensive facilities, furnishings and décor designed to provide a high level of comfort, rest and relaxation, which offers a higher standard of amenities and services than a “B” class hotel, with at least the minimum requirements as specified in the *First Schedule*;

“apartment” has the meaning assigned to it by section 2 of the *Barbados Tourism Product Authority Act, 2014* (Act 2014-2);

“accommodation period” means the time to be spent in the tourist accommodation ;

“ “B” class hotel” means a hotel with modest facilities, furnishings and décor, which offers basic amenities and services with at least the minimum requirements as specified in the *First Schedule*;

“Barbados Revenue Appeals Tribunal” or “Tribunal” means the tribunal established by section 24 of the *Barbados Revenue Authority Act, 2014* (Act 2014-1);

“Barbados Revenue Authority” or “Authority” means the Barbados Revenue Authority established under section 3 of the *Barbados Revenue Authority Act, 2014* (Act 2014-1);

- “direct tourism service” means any of the goods or services listed in paragraph 1 of the *Fourth Schedule* to the *Value Added Tax Act*, Cap. 87;
- “guest” means a visitor to Barbados or a citizens of Barbados;
- “guest house” has the meaning assigned to it by section 2 of the *Barbados Tourism Product Authority Act, 2014* (Act 2014-2);
- “hotel” has the meaning assigned to it by section 2 of the *Barbados Tourism Product Authority Act, 2014* (Act 2014-2);
- “levy” means the room rate levy, product development levy or shared economy levy;
- ““Luxury class hotel” means an upscale hotel with superior facilities, furnishings and décor designed to provide an exceptional level of comfort, rest and relaxation, at a higher standard than an “A” class hotel with at least the minimum requirements as specified in the *First Schedule*;
- “officer” means a person who is employed by the Authority and authorised or assigned to assist the Authority in the administration and enforcement of this Act;
- “payment period” means the taxable period specified under section 44 of the *Value Added Tax Act*, Cap. 87 or such other period as may be specified by the Authority;
- “product development levy” means the levy charged in accordance with section 7;
- “Revenue Commissioner” means the Revenue Commissioner appointed under section 7 of the *Barbados Revenue Authority Act, 2014* (Act 2014-1);
- “room rate levy” means the levy charged in accordance with section 5;
- “shared economy levy” means a levy charged in accordance with section 9;

“tourist accommodation” means an apartment, hotel, guest house, vacation rental property, and villa which is

- (a) registered with the Barbados Tourism Product Authority; and
- (b) is rented by guests for reward
 - (i) systematically or periodically in a calendar year; or
 - (ii) for a specified period in a calendar year;

“vacation rental property” means any property that is valued at less than \$3 000 000, is systematically or periodically rented by guests during a calendar year, is registered with the Barbados Tourism Product Authority, and in which

- (a) a charge is made for the accommodation provided;
- (b) sleeping accommodation is provided in one or more bedrooms;
- (c) the grounds and any common areas or recreational facilities are for the use of the occupants of a single booking;
- (d) housekeeping services are provided at least once every week; and
- (e) the property is managed by an individual, a company or a real estate agent;

“villa” has the meaning assigned to it by section 2 of the *Barbados Tourism Product Authority Act, 2014* (Act 2014-2).

Application and Administration

3.(1) This Act shall apply to a person who provides or supplies any tourist accommodation or a direct tourism service to a visitor or a citizen of Barbados.

(2) The Barbados Revenue Authority shall be responsible for the administration of this Act, and for the assessment, collection and recovery of the room rate levy, product development levy and shared economy levy.

Registration and listing of tourist accommodation

- 4.(1) Any person who provides
- (a) tourist accommodation shall register with the Barbados Tourism Product Authority; and
 - (b) a direct tourism service shall register with the Barbados Revenue Authority.
- (2) The Barbados Tourism Product Authority shall submit to the Revenue Commissioner before the 1st day of July, 2018 a list of persons who own or operate a tourist accommodation, and shall thereafter submit an updated list of such persons every month until the 31st day of December, 2019 .
- (3) The Barbados Tourism Product Authority shall ensure that the list prepared for the purposes of subsection (2) classifies each hotel listed as either a “B” class hotel, an “A” class hotel or a luxury class hotel in accordance with the *First Schedule*.

Imposition of room rate levy

- 5.(1) A room rate levy shall be imposed on tourist accommodation for the period commencing on the 1st day of July, 2018 and ending on the 31st day of December, 2019.
- (2) A person who provides tourist accommodation shall be required to charge the room rate levy, in accordance with this Act, on the tourist accommodation provided by that person to a visitor or a citizen of Barbados in the manner specified in the *Second Schedule*.
- (3) In circumstances where the tourist accommodation is paid for online through the internet the person providing that tourist accommodation online shall charge the room rate levy on that tourist accommodation and where provision is not made for the collection or payment of the room rate levy online it shall be collected by the person providing the tourist accommodation from the visitor or the citizen of Barbados by the end of the accommodation period.

(4) A person who receives payment of the room rate levy pursuant to subsection (1) and who fails to submit the sums collected to the Authority is guilty of an offence and is liable on summary conviction to a fine of \$10 000.

Notification of room rate levy

6.(1) A person who provides tourist accommodation and who advertises that tourist accommodation online or otherwise shall ensure that any such advertisement includes a notification of the requirement to pay the room rate levy.

(2) A person who provides for the booking and purchase of any tourist accommodation offered by a person online shall ensure that any person who seeks to make a payment online to use the tourist accommodation is notified of the room rate levy, where the room rate levy is

- (a) included in the sums which will be collected when the online payment is made; or
- (b) not included with the online payment, that it will be collected when the person comes to use the tourist accommodation for the accommodation period.

(3) A person who contravenes subsection (1) or subsection (2) is guilty of an offence and is liable on summary conviction to a fine of \$5 000.

Imposition of product development levy

7.(1) A product development levy shall be imposed on the provision of a direct tourism service for the period commencing on the 1st day of July, 2018 and ending on the 31st day of December, 2019.

(2) A person who provides a direct tourism service shall be required to charge the product development levy, in accordance with this Act, on the provision of a direct tourism service to a visitor or a citizen of Barbados at a rate of 2.5 per cent of the cost of the direct tourism service.

(3) In circumstances where the direct tourism service is paid for online through the internet the person providing that direct tourism service online shall charge

the product development levy on that direct tourism service and where provision is not made for the collection or payment of that product development levy online it shall be collected from the visitor or the citizen of Barbados at the time that the direct tourism service is used by the visitor or citizen of Barbados.

(4) A person who receives payment of the product development levy pursuant to subsection (1) and who fails to submit the sums collected to the Authority is guilty of an offence and is liable on summary conviction to a fine of \$10 000.

Notification of product development levy

8.(1) A person who provides a direct tourism service and who advertises that direct tourism service online or otherwise shall ensure that any such advertisement includes a notification of the requirement to pay the product development levy.

(2) A person who provides for the booking and purchase of any direct tourism service offered by that person online shall ensure that any person who seeks to make payment to use a direct tourism service is notified of the product development levy, where the product development levy is

- (a) included in the sums which will be collected when the online payment is made; or
- (b) not included with the online payment, that it will be collected when the person comes to use the direct tourism service.

(3) A person who contravenes subsection (1) or subsection (2) is guilty of an offence and is liable on summary conviction to a fine of \$5 000.

Imposition of shared economy levy

9.(1) A person who

- (a) is not registered under the *Value Added Tax Act*, Cap. 87;
- (b) supplies tourist accommodation; and
- (c) is registered with the Barbados Tourism Product Authority

shall be required to charge a shared economy levy on the supply of that tourist accommodation.

(2) The shared economy levy, required by subsection (1), shall be imposed on tourist accommodation at a rate of 10 per cent of the cost of the tourist accommodation for the period commencing on the 1st day of August, 2018 and ending on the 31st day of December, 2019.

(3) In circumstances where the tourist accommodation is paid for online through the internet the person providing that tourist accommodation online shall charge the shared economy levy on that tourist accommodation and where provision is not made for the collection or payment of that shared economy levy online it shall be collected from the visitor or the citizen of Barbados by the end of the accommodation period.

(4) A person who receives payment of the shared economy levy pursuant to subsections (1) and (2) and who fails to submit the sums collected to the Authority is guilty of an offence and is liable on summary conviction to a fine of \$10 000.

Notification of shared economy levy

10.(1) A person who provides tourist accommodation to which section 9 applies and who advertises that tourist accommodation online or otherwise shall ensure that any such advertisement includes a notification of the requirement to pay the shared economy levy.

(2) A person who provides for the booking and purchase of any tourist accommodation offered by a person online shall ensure that any person who seeks to make a payment online to use that tourist accommodation is notified of the shared economy levy, where the shared economy levy is

- (a) included in the sums which will be collected when the online payment is made; or
- (b) not included with the online payment, that it will be collected when the person comes to use the tourist accommodation for the accommodation period.

(3) A person who contravenes subsection (1) or subsection (2) is guilty of an offence and is liable on summary conviction to a fine of \$5 000.

Payment of levies

11.(1) The Revenue Commissioner shall notify a person who provides tourist accommodation or a direct tourism service to a visitor or citizen of Barbados of his payment period and where that person is also registered under the *Value Added Tax Act*, Cap. 87, the payment period shall be the same as the taxable period of that person.

(2) A person, referred to in subsection (1), shall within 21 days after the end of each payment period,

(a) file with the Barbados Revenue Authority, in such a form or manner as the Revenue Commissioner determines and notifies by an instrument in writing

(i) a return for the payment period;

(ii) a statement of the number of rentals or services which occurred in the period, and the revenue obtained from the rentals or services; and

(iii) such additional information as the Revenue Commissioner requires; and

(b) pay to the Barbados Revenue Authority the levy payable by that person for the payment period.

(3) A person who files a return after the payment period referred to in subsection (2) shall pay a penalty of \$100 to the Barbados Revenue Authority.

(4) A person who fails to pay the amount of the levy payable by that person within one month of the period referred to in subsection (2) shall pay

(a) a penalty of 10 per cent of the amount of the levy that is payable; and

- (b) simple interest at the rate of one per cent per month calculated for each month or part of a month during which any amount of the levy and penalty remains unpaid.

Consolidated fund

12. All monies collected as a levy pursuant to this Act shall be paid into the Consolidated Fund.

Refund for overpayment

13.(1) In circumstances where a person has paid an amount as a levy and that amount exceeds the amount that was payable by that person under this Act, the Revenue Commissioner shall refund to that person the sum which is equal to the amount of the excess where that person applies for a refund within 2 years after the amount was paid.

(2) The refund payable under subsection (1) shall be paid from the Consolidated Fund.

Waivers and refunds

14. The Minister may by order, where he thinks it equitable to do so, waive, exempt, remit or refund, in whole or in part, the amount of any levy payable or paid by any person under this Act.

Keeping of accounts and records

15.(1) A person who provides tourist accommodation or a direct tourism service shall keep records, information and accounts so as to enable the Revenue Commissioner to determine the amount of the levy which is payable by that person for any payment period.

(2) Where a person fails to keep records, information and accounts for the purposes of this Act, the Revenue Commissioner may require that person to keep such records, information and accounts as the Authority determines.

(3) A person shall retain the records, information and accounts referred to in subsections (1) and (2) until the expiration of 5 years after the end of the year to which the records, information and accounts relate or for such shorter period as the Revenue Commissioner may determine.

(4) A person who fails to keep records, information and accounts in accordance with this section is guilty of an offence and is liable on summary conviction to a fine of \$5 000.

Audit

16.(1) An officer may at any reasonable time audit or examine the records of a person who provides tourist accommodation or a direct tourism service for the purposes of assessing

- (a) the amount paid by that person as a levy;
- (b) any amount to be refunded a person; or
- (c) whether the records are being kept in the manner required by the Revenue Commissioner pursuant to section 15.

(2) For the purposes of subsection (1), an officer may, at any reasonable time, enter any premises or place to which this Act applies and

- (a) inspect or examine the records, information and books of account of a person or any property or process of that person or any other matter that may be relevant in determining
 - (i) the amount of the levy or other amounts payable or remittable under this Act by that or any other person or any other obligation of that or any other person under this Act; or
 - (ii) the amount of a refund that is payable to that or any other person under this Act;
- (b) require the owner or manager of the property or any employee to give him all reasonable assistance with his inspection, audit or examination and to answer all questions relating to the owner or manager

responsible for the payment of the levy under this Act either orally or in writing.

(3) Where, during the course of an audit or examination referred to in subsection (1), it appears to the officer referred to in that subsection that there has been a violation of this Act, the officer may seize and take away any records, information or books of account which may afford evidence of the violation.

(4) The Revenue Commissioner may, for any purpose related to the administration of this Act, by registered letter or by an instrument in writing served personally, require any person

- (a) to provide any information in the form of a return or otherwise; and
- (b) to produce any record, information or books of account, within such time as the Revenue Commissioner specifies.

Copies of documents

17. Where any document, information or book of account has been produced, seized, inspected or examined by an officer under this Act, the officer may make copies and a document purporting to be certified by the officer to be a copy made pursuant to this section is admissible in evidence and has the same probative value as the original document.

Notice of assessment of levy

18. In circumstances where,

- (a) a person has failed to submit the sums collected in accordance with sections 5, 7 or 9;
- (b) a person has failed to file a return in accordance with section 11; or
- (c) the Revenue Commissioner is satisfied that a true account of the levy payable has not been given in a return

the Revenue Commissioner shall notify the person by an instrument in writing that an assessment will be done, and that instrument in writing shall state what

is being assessed, the reason for the assessment, detail when and how the assessment will be done, and invite the person to submit in writing by a stated date any representation or information which the person has which can explain the concern raised by the Revenue Commissioner.

Notice of assessment result

19. The Revenue Commissioner shall notify the person referred to in section 18, by an instrument in writing, of the result of the assessment, and state what action the person is required to take and by what date.

Objections

20.(1) Subject to this section, a person who

- (a) having been assessed, disagrees with the assessment; or
- (b) having made an application for a refund of the levy, disagrees with the Revenue Commissioner's determination respecting the application

may object to the assessment or determination by filing an instrument in writing with the Revenue Commissioner within 21 days after the date of the notice of assessment or notice of determination, as the case may be, or such longer period as the Revenue Commissioner allows.

(2) A notice of objection shall be in writing and shall state the precise grounds for the objection.

(3) The Revenue Commissioner shall give a person who has objected to an assessment or determination an opportunity to support his objection by a written or oral submission to the Revenue Commissioner.

(4) The Revenue Commissioner shall, after receiving a notice of objection in respect of an assessment or determination and after giving the person who objected an opportunity to support his objection,

- (a) review the assessment or determination and either confirm it or make a reassessment or redetermination, as the case may require; and

(b) deliver to the person who objected, a notice of confirmation, a notice of reassessment or a notice of redetermination, as the case may require.

(5) Where a person has filed a notice of objection under this Act and the Revenue Commissioner has not, within 6 months thereafter, delivered to the person a notice of confirmation, reassessment or redetermination, that person may appeal to the Tribunal in respect of the objection.

(6) Where the Revenue Commissioner delivers to a person, a notice of confirmation, reassessment or redetermination respecting an objection after the expiration of the period of 6 months referred to in subsection (5), the person may appeal to the Tribunal within 30 days after the delivery of the notice.

Appeal to Tribunal

21.(1) A person who objects to an assessment or determination and who receives a notice of confirmation, reassessment or redetermination, may appeal the decision of the Revenue Commissioner to the Barbados Revenue Appeals Tribunal, within 30 days after the day on which the notice of confirmation, reassessment or redetermination, as the case may be, was delivered to him.

(2) An appeal under this section shall be instituted by filing a notice of appeal with the Tribunal together with such copies thereof as the Tribunal may require, and such notice shall, as far as possible, state the precise grounds of appeal.

(3) Where the Tribunal is satisfied that there is good reason for the failure of a person to object or appeal within the time specified in subsection (1) the Tribunal may allow the person objecting such further time as the Tribunal thinks fit.

Appeal to the High Court

22.(1) Any party to an appeal to the Tribunal may appeal from the decision of the Tribunal to the High Court on a point of law.

- (2) In disposing of an appeal under this section in respect of an assessment or determination, the High Court may
- (a) confirm or set aside the assessment or determination;
 - (b) make an order referring the assessment or determination back to the Revenue Commissioner for reassessment or redetermination in accordance with the directions of the Court; or
 - (c) make such other order as it thinks fit.

Recovery of the levy

23. Any levy payable under this Act and any other amount payable as penalty and interest is a debt due to the Crown and is recoverable as such in civil proceedings in the magistrate's court, notwithstanding that the amount involved exceeds the normal monetary limit on the jurisdiction of a magistrate's court.

Obstruction of officers

24. A person who threatens, assaults or obstructs an officer acting in the execution of his duty under this Act is guilty of an offence and is liable on summary conviction to a fine of \$10 000 or to imprisonment for 2 years or to both.

Amendment of enactments in the *Third and Fourth Schedule*

25.(1) The enactments specified in the first column of the *Third Schedule* are amended in the manner specified in the second column of the *Third Schedule*.

(2) The enactment specified in the first column of the *Fourth Schedule* is amended in the manner specified in the second column of the *Fourth Schedule*.

Validation

26.(1) All decisions made, all acts done and all levies paid to and collected by the Barbados Revenue Authority from the 1st day of October, 2018 until the

commencement of this Act shall be deemed to have been lawfully and validly made, done, paid, and collected.

(2) Subsection (1) shall not prohibit the Barbados Revenue Authority or the Minister from taking any action as may be required pursuant to section 13 or section 14.

Commencement

27.(1) Sections 1 to 8, 11 to 24, section 25(1), section 26 and the *First Schedule*, *Second Schedule* and *Third Schedule* of this Act shall be deemed to have come into force on the 1st day of July, 2018.

(2) Sections 9 and 10 shall be deemed to have come into force on the 1st day of August, 2018.

(3) Section 25(2) and the *Fourth Schedule* shall come into force on the 1st day of January, 2020.

FIRST SCHEDULE*(Section 2, 4 and 27(1))**Classification of Hotels*

<i>Category of Hotel</i>	<i>Minimum requirement for this Category of Hotel</i>
Luxury Hotel	<ol style="list-style-type: none"> 1. 24 hour reception facility . 2. Property is clean and is maintained- rooms and varied hotel areas are identified by signage. 3. The structure and features, furniture, fittings of the hotel’s exterior are aesthetically appealing and of a high standard, and are designed to give a greater or higher level of comfort, and relaxation. 4. En-suite bathrooms in each room with a daily supply of high quality absorbent towels and high quality toiletries (hot tub or jacuzzi in en-suite master bathrooms). 5. Complimentary wireless internet access in all public areas and guest rooms. 6. Multiple restaurants with table d'hôte and à la carte menus with extensive food choices, each with a hostess to greet and seat guests upon arrival- three course meals available (with healthy, vegan and vegetarian options). 7. Continental breakfast and cooked breakfast with options. 8. 24-hour full room service with meals served on decorated dining tables. 9. Multiple bars with cocktails available- extensive wine menus in the restaurants.

10. Housekeeping services offered daily.
11. Iron and iron board in all guest rooms.
12. Air-conditioned rooms or rooms with fan(s).
13. Welcome beverage and canapes and complimentary pack as a part of the arrival package.
14. Business centre available.
15. Provision of do not disturb sign.
16. Staff fluent in a foreign language(s).
17. Porter services offered.
18. Spacious fitness facilities and spa available as well as beauty and hair salon.
19. Convenience store and multiple shops offering male and female duty-free clothing, jewellery and personal amenities for sale.
20. International in-room direct dial phones.
21. Complimentary airport/ seaport transport service using luxury vehicles available on request.
22. Butler service should at least be available to some rooms on request.
23. Rooms offer spacious accommodation facilities with turndown service with accompaniments.
24. Room furnishings, fittings and fixtures provide excessive comfort, rest and relaxation.
25. Excellent sound proofing in rooms.
26. Provide safety deposit facilities in the room.
27. Provide manned security services on site.

28. Requisite licences and certificates from the Ministry of Health.

29. Fire Certificate from the Barbados Fire Service.

30. Tax clearance certificates from the Barbados Revenue Authority and the National Insurance Department.

“A” Class Hotel

1. 24 hour reception facility.

2. Property is clean and is maintained- rooms and varied hotel areas are identified by signage.

3. Furniture, fixtures, fittings and general décor are designed to give a great or high level of comfort, and relaxation — may have some sound proofing.

4. En-suite bathrooms in each room with daily supply of clean towels and toiletries.

5. Complimentary wireless internet access in guest rooms and in at least two public areas.

6. Restaurant serving at least 3 meal options with table d’hôte and à la carte menus (with healthy, vegan and vegetarian options). Restaurant has a hostess to greet and seat guests upon arrival.

7. Continental breakfast and cooked breakfast with options.

8. Minimum room service with hot or cold drinks with sandwiches or light snacks.

9. Housekeeping offered daily.

10. Iron and iron board in all guest rooms.

11. Air-conditioned rooms or rooms with fan(s).

12. Welcome beverage and complimentary pack as part of arrival package.
13. Business centre available.
14. Provision of do not disturb sign.
15. Staff fluent in a foreign language.
16. Porter services offered.
17. Fitness facilities available.
18. A dedicated sundry area or shop.
19. International in-room direct dial phones.
20. Provide safety deposit facilities in the room.
21. Provide manned security services on site.
22. Requisite licences and certificates from the Ministry of Health.
23. Fire Certificate from the Barbados Fire Service.
24. Tax clearance certificates from the Barbados Revenue Authority and the National Insurance Department.

“B” Class Hotel

1. Staffed reception facilities.
2. The property is clean and is maintained-rooms and varied hotel areas are identified by signage.
3. Furnishings, fittings and fixtures are such to provide basic comfort in rooms.
4. En-suite bathrooms in each room with daily supply of clean towels and toiletries.
5. Complimentary internet access in at least one public area.

- 6.** A restaurant serving at least 3 meal options with legible table d'hôte or à la carte menus.
- 7.** At least continental or cooked breakfast provided.
- 8.** Housekeeping offered daily.
- 9.** Iron and iron board.
- 10.** Air-conditioned rooms or rooms with fan(s).
- 11.** Provide safety deposit facilities.
- 12.** Provide security services on site.
- 13.** Requisite licences and certificates from the Ministry of Health.
- 14.** Fire Certificate from the Barbados Fire Service.
- 15.** Tax clearance certificates from the Barbados Revenue Authority and the National Insurance Department.

SECOND SCHEDULE*(Section 5 and 27(1))**Rate of Room Levy*

Room Classification	Amount of Levy
Apartment	\$5.00 per bedroom per night
Guest House	\$5.00 per bedroom per night
Hotel	
Luxury class	\$20.00 per bedroom per night
“A” class	\$11.00 per bedroom per night
“B” class	\$5.00 per bedroom per night
Vacation rental properties	2.5% of the rate charged per bedroom per night, and where this amount exceeds \$20.00 per night, the rate to be charged shall be \$20.00 per bedroom per night.
Villas	2.5% of the rate charged per bedroom per night, and where this amount exceeds \$20.00 per night, the rate to be charged shall be \$20.00 per bedroom per night.

THIRD SCHEDULE

(Section 25(1), 27(1))

Enactments to be Amended

ENACTMENT

*Barbados Tourism Product Authority Act,
2014(2014 -2)*

AMENDMENT

In section 2 delete the definition of the words “apartment” and “villa” and substitute the following:

“ “apartment” means a complete unit which provides short-term accommodation to tourists for reward, having either one or more studio bedrooms or separate bedrooms, a living room, a kitchen or kitchenette, a dining area, with at least one bathroom in the unit for the exclusive use of the occupant of the unit; and where the occupants of the unit share the grounds, and other recreational facilities and other common buildings with the occupants of other units;

“villa” means a house that

- (a)* has at least 3 bedrooms and is valued at not less than \$ 3 000 000;
- (b)* is managed by a company or real estate agent, and employs no less than 3 persons;
- (c)* is registered with the Barbados Tourism Product Authority; and
- (d)* is rented by guests for reward for at least 6 months in every year.”.

Land Tax Act, Cap. 78A

In section 6D delete subsection (2)(b) and substitute the following:

“

- (b) “villa” means a house that
- (i) has at least three bedrooms and is valued at not less than \$3 000 000;
 - (ii) is managed by a company or real estate agent and employs no less than 3 persons;
 - (iii) is registered with the Barbados Tourism Product Authority; and
 - (iv) is rented by guests for reward for at least 6 months in every year.”.

Tourism Development Act, Cap. 341

In section 2 delete the definition of the words “hotel” and “villa” and substitute the following:

“ “hotel” means

- (a) any building containing not less than 10 bedrooms each of which is valued at not less than \$175 000; or
- (b) any group of buildings, whether cottages, bungalows or otherwise, situate within the same precincts, served by a common maid service and together containing not less than 10 bedrooms each of which is valued at not less than \$175 000,

which is available for the accommodation of guests for reward at anytime a calender year;

“villa” means a house that

- (a) has at least 3 bedrooms and is valued at not less than \$ 3 000 000;
- (b) is managed by a company or real estate agent, and employs no less than 3 persons;
- (c) is registered with the Barbados Tourism Product Authority; and
- (d) is rented by guests for reward for at least 6 months in every year.”.

FOURTH SCHEDULE

(Section 25(2), 27(3))

Amendment to the Value Added Tax Act, Cap. 87

ENACTMENT

Value Added Tax Act, Cap. 87

AMENDMENT

In section 7 of the Act

(a) repeal subsection (3B); and
(b) delete subsection (11) and substitute the following:

“ With effect from the 1st day of January, 2020 the tax imposed by subsection (1) on:

- (a) the supply of accommodation in a guest house, hotel, inn or any other place, including a dwelling house normally let or rented to persons for use as a vacation or holiday home shall be 15 percent of the value of the supply and is payable by the registrant at the time the supply is made; and
- (b) the supply of the goods and services listed in paragraph 1 of the *Fourth Schedule* shall be 15 percent of the value of the supply and is payable by the registrant at the time the supply is made.”.