

2025-06-25

#### **OBJECTS AND REASONS**

This Bill would amend the *Tourism Levy Act, 2019*, (Act 2019-57) to make better provision for the regulation of online transactions.

*Arrangement of Sections*

1. Short title
2. Amendment of section 2 of Act 2019-57
3. Amendment of section 3 of Act 2019-57
4. Amendment of section 4 of Act 2019-57
5. Amendment of section 5 of Act 2019-57
6. Repeal of section 6 of Act 2019-57
7. Amendment of section 7 of Act 2019-57
8. Repeal of section 8 of Act 2019-57
9. Amendment of section 9 of Act 2019-57
10. Repeal and replacement of section 10 of Act 2019-57
11. Amendment of section 11 of Act 2019-57
12. Repeal and replacement of section 15 of Act 2019-57
13. Insertion of section 15A of Act 2019-57
14. Repeal and replacement of *Third Schedule*
15. Repeal and replacement of *Fourth Schedule*

FIRST SCHEDULE

SECOND SCHEDULE



## **BARBADOS**

A Bill entitled

An Act to amend the *Tourism Levy Act, 2019*, (Act 2019-57) to make better provision for the regulation of online transactions.

ENACTED by the Parliament of Barbados as follows:

### **Short title**

- 1.** This Act may be cited as the *Tourism Levy (Amendment) Act, 2025*.

**Amendment of section 2 of Act 2019-57**

**2.        *Section 2 of the Tourism Levy Act, 2019, (Act 2019-57), in this Act referred to as the principal Act, is amended by***

***(a) deleting the definition of the word “guest” and substituting the following:***

“ “guest” means any person visiting or residing in Barbados;”;

***(b) deleting the definition of the words “tourist accommodation” and substituting the following:***

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

***(a)*** required to be registered with the Barbados Tourism Product Authority; and

***(b)*** rented by guests for reward

***(i)*** systematically or periodically in a calendar year; or

***(ii)*** for a specified period in a calendar year;”;

***(c) by inserting, in the appropriate alphabetical order, the following:***

“ “marketplace facilitator” means a person or an entity that operates an online marketplace;

“online marketplace” means an online travel agency, or a digital platform, including a mobile app or website, through which

***(a)*** transactions between a supplier and a purchaser in relation to tourist accommodation or a direct tourism service in Barbados are enabled or facilitated for a fee, subscription, commission or other consideration; and

(b) a purchaser may exchange a financial payment for the underlying tourist accommodation or direct tourism service;

“purchaser” means a person who acquires tourist accommodation or a direct tourism service for the purchaser’s own use or for use by another;

“supplier” means a person who sells, offers for sale or otherwise provides tourist accommodation or a direct tourism service in Barbados;”.

**Amendment of section 3 of Act 2019-57**

**3.        *Section 3 of the principal Act is amended by deleting subsection (1) and substituting the following:***

“(1) This Act shall apply to a person who provides or supplies any tourist accommodation or a direct tourism service to a guest or operates an online marketplace or acts as a marketplace facilitator for such services.”.

**Amendment of section 4 of Act 2019-57**

**4.        *Section 4 of the principal Act is amended by deleting subsection (1) and substituting the following:***

“(1) Any person who sells, offers for sale, or otherwise provides a tourist accommodation or a direct tourism service, or operates an online marketplace or acts as a marketplace facilitator for such services, shall register with the Barbados Tourism Product Authority and Barbados Revenue Authority.”.

**Amendment of section 5 of Act 2019-57**

**5.           Section 5 of the principal Act is amended by**

**(a)   *deleting subsection (2) and substituting the following:***

“(2) A person who provides tourist accommodation shall charge the room rate levy on the tourist accommodation provided by that person to a guest in the manner specified in the *Second Schedule*.”;

**(b)   *deleting subsection (3);***

**(c)   *renumbering subsection (4) as subsection (3); and***

**(d)   *renumbering subsection (5) as subsection (4).***

**Repeal of section 6 of Act 2019-57**

**6.           Section 6 of the principal Act is repealed.**

**Amendment of section 7 of Act 2019-57**

**7.           Section 7 of the principal Act is amended by**

**(a)   *deleting subsection (2) and substituting the following:***

“(2) A person who

(a) is registered or not registered under the *Value Added Tax Act*, Cap. 87; and

(b) provides a direct tourism service

shall charge the product development levy on the provision of the direct tourism service to a guest in the manner specified in the *Third Schedule*.”;

**(b)   *deleting subsection (3);***



(c) *renumbering subsection (4) as subsection (3).*

**Repeal of section 8 of Act 2019-57**

**8.** *Section 8 of the principal Act is repealed.*

**Amendment of section 9 of Act 2019-57**

**9.** *Section 9 of the principal Act is amended by*

(a) *deleting subsection (1) and substituting the following:*

“(1) A person who

(a) is not registered under the *Value Added Tax Act*, Cap. 87 or who is exempt pursuant to section 10 of the *Value Added Tax Act* and specified as such in the *Second Schedule* to that Act; and

(b) supplies tourist accommodation,

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

(b) *deleting subsection (3);*

(c) *renumbering subsection (4) as subsection (3); and*

(d) *renumbering subsection (5) as subsection (4).*

**Repeal and replacement of section 10 of Act 2019-57**

**10.** *Section 10 of the principal Act is deleted and the following is substituted:*

**“Notification of levy**

**10.(1)** A supplier or marketplace facilitator who advertises or quotes a price for tourist accommodation or a direct tourism service

online or otherwise shall, ensure that any such advertisement or quotation includes a notification of the requirement to pay a levy and the price that is so advertised or quoted

- (a) shall include the amount of the relevant levy payable; or
- (b) the amount of the relevant levy payable shall be stated separately.

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

**“Payment and collection of levy**

**10A.(1)** Where a marketplace facilitator offers tourist accommodation or a direct tourism service through an online marketplace for or on behalf of a supplier, the facilitator shall include the relevant levy in the price charged for the accommodation or service.

(2) Where a purchaser has paid for tourist accommodation or a direct tourism service through the online marketplace, and the price charged includes the relevant levy, as provided for in subsection (1), the marketplace facilitator shall remit the levy collected to the Barbados Revenue Authority.

(3) Where a person has made a booking for tourist accommodation or reserved a direct tourism service through the online marketplace, but has not paid for such accommodation or service through the online marketplace, the supplier shall collect the levy from the guest by the end of the accommodation period or upon provision of the direct tourism service.

(4) Where a supplier offers tourist accommodation or a direct tourism service

- (a) online through a platform and does not use a marketplace facilitator or online marketplace; or

(b) in person or otherwise

that supplier shall include in the price charged for the tourist accommodation or direct tourism service the relevant levy payable and where the price for the tourist accommodation or direct tourism service is not paid online to the supplier it shall be collected by the supplier from the guest by the end of the accommodation period or when the direct tourism service is provided.

(5) A supplier shall remain liable for the payment and remittance of the relevant levy, notwithstanding the involvement of a marketplace facilitator or the use of an online marketplace.

(6) Unpaid levies are a lien and charge against the property where the tourist accommodation is provided.

(7) A person who contravenes subsections (1), (2), (3) and (4) is guilty of an offence and is liable on summary conviction to a fine of \$10 000.”.

#### **Amendment of section 11 of Act 2019-57**

#### **11. Section 11 of the principal Act is amended by deleting**

(a) *the shoulder note “Payment of levies” and substituting the shoulder note “Returns and remittances”;*

(b) *subsection (1) and substituting the following:*

“(1) Where a person who provides tourist accommodation or a direct tourism service to a guest; and

(a) that person is not registered under the *Value Added Tax Act*, Cap. 87 he shall have a payment period, which ends on the last day of each month in which the tourist accommodation or direct tourism service is provided; or

- (b) that person is registered under the *Value Added Tax Act*, Cap. 87 he shall have a payment period, which shall be the same as the taxable period of that person under the *Value Added Tax Act*, Cap. 87.

(1A) Where a marketplace facilitator receives payment for tourist accommodation or a direct tourism service which payment includes the relevant levy he shall have a payment period, which ends on the last day of each month in which the tourist accommodation or direct tourism service is provided.”;

(c) ***subsection (2) and substituting:***

“(2) A person, referred to in subsection (1) and subsection (1A), 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
  - (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.”.

**Repeal and replacement of section 15 of Act 2019-57**

**12.** *Section 15 of the principal Act is repealed and the following is substituted:*

**“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) Any person who facilitates the sale, rental, or provision of tourist accommodation or direct tourism services within Barbados shall be required to maintain accurate records, information, and accounts of all transactions conducted on their platform.

(3) The records referred to in subsection (2) shall include the following details:

- (a) the total amount paid by a purchaser for the accommodation or service;
- (b) the location of the accommodation or service;
- (c) the identity of the supplier and the purchaser;
- (d) the facilitator's commission or fee;
- (e) the amount remitted to the provider of the accommodation or service; and
- (f) any other relevant transaction details as determined by the Revenue Commissioner.

(4) 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.

(5) The records referred to in subsections (1) and (2) shall be made available to the Revenue Commissioner upon request for audit purposes or for the purposes of administering this Act.

(6) 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.”.

**Insertion of section 15A of Act 2019-57**

**13.** *The principal Act is amended by inserting immediately after section 15 the following:*

**“Ceasing to carry on business**

**15A.** A person shall notify the Barbados Tourism Product Authority and Revenue Commissioner in writing if that person ceases to sell, offer for sale or otherwise provide tourist accommodation or direct tourism service within 21 days after the occurrence of cessation.”.

**Repeal and replacement of *Third Schedule***

**14.** *The principal Act is amended by deleting the Third Schedule and substituting therefor the Schedule set out in the First Schedule to this Act.*

**Repeal and replacement of *Fourth Schedule***

**15.** *The principal Act is amended by deleting the Fourth Schedule and substituting therefor the Schedule set out in the Second Schedule to this Act.*

**FIRST SCHEDULE**

*(Section 14)*

**“THIRD SCHEDULE**

*(Sections 7 and 27(3))*

*Product Development Levy*

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**Amount of Product Development Levy with effect from 1st July, 2025**

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2.5% of the amount paid for the direct tourism service.

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**SECOND SCHEDULE**

*(Section 15)*

**“FOURTH SCHEDULE**

*(Sections 9 and 27(3))*

*Shared Economy Levy*

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**Amount of Shared Economy Levy with effect from 1st August, 2025**

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10% of the amount paid for the rental or lease of the tourist accommodation. ”.

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