

OBJECTS AND REASONS

This Bill would amend the *National Social Responsibility Levy Act, 2017* to

- (a) increase the levy with effect from 1st July, 2017;
- (b) provide for certain food items and products to be exempt from the levy;
and
- (c) provide for related matters.

Arrangement of Sections

1. Short title
2. Amendment of section 2 of Act 2017-15
3. Amendment of section 5 of Act 2017-15
4. Amendment of section 6 of Act 2017-15
5. Amendment of Schedule to Act 2017-15
6. Insertion of Second Schedule in Act 2017-15
7. Commencement

SCHEDULE

BARBADOS

A Bill entitled

An Act to amend the *National Social Responsibility Levy Act, 2017* to increase the levy with effect from 1st July, 2017.

ENACTED by the Parliament of Barbados as follows:

Short title

1. This Act may be cited as the *National Social Responsibility Levy (Amendment) Act, 2017*.

Amendment of section 2 of Act 2017-15

2. *Section 2 of the National Social Responsibility Levy Act, 2017 (Act 2017-15), in this Act referred to as the principal Act, is amended by inserting the following definition in its appropriate alphabetical order:*

“ “manufacturing or production cost” means the cost incurred in the manufacture or production of goods in Barbados but does not include any distribution or storage cost of the goods;”.

Amendment of section 5 of Act 2017-15

3. *Section 5 of the principal Act is amended by deleting subsections (2) and (3) and substituting the following:*

“(2) With effect from 1st July, 2017, the levy imposed by subsection (1)(a) is equal to 10 per cent of the manufacturing or production cost of the goods.

(3) With effect from 1st July, 2017, the levy imposed by subsection (1)(b) is equal to 10 per cent of the customs value of the goods and is payable at the time the goods are entered for use within Barbados by the importer or other person who is liable under the *Customs Act*, Cap. 66 to pay duties on the goods.”.

Amendment of section 6 of Act 2017-15

4. *Section 6 of the principal Act is amended*

(a) *in subsection (1) by:*

- (i) *deleting the full stop appearing at the end of paragraph (b) and inserting a semi-colon; and*
- (ii) *inserting immediately after paragraph (b), the following as paragraph (c):*

“(c) on any goods which are specified in the *Second Schedule* subject to such terms and conditions as are set out in relation thereto.”; and

- (b) *by inserting immediately after subsection (2) the following as subsection (3):*

“(3) The Minister may by order amend the *Second Schedule*.”.

Amendment of Schedule to Act 2017-15

- 5.** *The Schedule to the principal Act is amended by renaming that Schedule as the First Schedule.*

Insertion of Second Schedule in Act 2017-15

- 6.** *The principal Act is amended by inserting the Schedule to this Act as the Second Schedule.*

Commencement

- 7.** *This Act shall have effect as follows:*
 - (a) *The provisions of this Act, except for paragraph 5 of the Second Schedule as inserted by the Schedule to this Act, shall have effect from 1st July, 2017;*
 - (b) *paragraph 5 of the Second Schedule, as inserted by the Schedule to this Act, shall have effect from 13th July, 2017.*

SCHEDULE

(Section 5)

“SECOND SCHEDULE

(Section 6(1)(c))

Goods Exempted from the Levy

1. The food items specified in paragraph 20 of the *First Schedule* to the *Value Added Tax Act*, Cap. 87.
2. Kerosene imported for use as airline fuel falling under tariff heading number 2710.19.10 of the Customs Tariff.
3. Heavy fuel oil (Bunker C) falling under tariff heading number 2710.19.60 of the Customs Tariff.
4. Drugs imported or purchased out of a bonded warehouse or the purchase of drugs in Barbados where the drugs are issued by the Barbados Drug Service.
- 5.(1) Goods imported or purchased out of a bonded warehouse by an international business company licensed under the *International Business Company*, Cap. 77 or a society with restricted liability organized under the *Societies with Restricted Liability Act*, Cap. 318B, where the products of those inputs are exported.
 - (2) Where the products of the inputs referred to in sub-paragraph (1) are not exported, the amount of the levy which was waived shall be paid

to the Comptroller of Customs by the international business company or the society with restricted liability, as the case may be.”.

Read three times and passed the House of Assembly this
day of _____, 2017.

Speaker

Read three times and passed the Senate this _____ day of
, 2017.

President