GRENADA

STATUTORY RULES AND ORDERS NO. 33 OF 2016

THE MINISTER IN EXERCISE OF THE POWERS CONFERRED ON HIM BY SECTION 108 OF THE CUSTOMS ACT, NO. 9 OF 2015 HEREBY MAKES THE FOLLOWING ORDER–

(Gazetted 27th April, 2016).

1. Citation and commencement. This Order may be cited as the

CUSTOMS (DUTIES EXEMPTIONS) ORDER, 2016

and shall come into force on the 1st day of May, 2016.

2. Definitions. In this Order–

"agriculture, agribusiness, and agricultural research" has the meaning given to it by regulation 2 of the Investment (Priority Sectors) Regulations, 2016;

"business processing outsourcing" has the meaning given to it by regulation 2 of the Investment (Priority Sectors) Regulations, 2016;

"Grenada Tourism Authority" means the Grenada Tourism Authority established under section 3 of the Grenada Tourism Authority Act, 2013;

"heavy equipment operations" means any business activity that operates heavy equipment and provides services in engineering or construction, offered by a person who is so certified by the Ministry of Works and complies with the provisions of the National Insurance Act, Chapter 205;

"investor" has the meaning given to it by section 2 of the Investment Act, 2014;

"manufacturing" has the meaning given to it by regulation 2 of the Investment (Priority Sectors) Regulations, 2016;

"marina services" has the meaning given to it by regulation 2 of the Investment (Priority Sectors) Regulations, 2016;

"medical services" has the meaning given to it by regulation 2 of the Investment (Priority Sectors) Regulations, 2016;

"priority sector facility" has the meaning given to it by regulation 2 of the Investment (Priority Sectors) Regulations, 2016;

"qualifying costs" has the meaning given to it by regulation 5 of the Investment (Priority Sectors) Regulations, 2016;

"qualifying investment" has the meaning given to it by regulation 4 of the Investment (Priority Sectors) Regulations, 2016;

"student accommodation" means any business activity that provides accommodation for faculty or students of the St. George's University with a minimum of ten bedrooms or rentable units constructed in accordance with accommodation standards and managed by a locally registered person who complies with the provisions of the National Insurance Act, Chapter 205;

"taxi services" means any business activity that provides the service of standing and plying for hire offered by a person who is so licensed and is so certified by the Ministry of Tourism and the Grenada Tourism Authority;

"tour services" means any business activity that provides tours and excursions offered by a person who is so licensed and is so certified by the Ministry of Tourism and the Grenada Tourism Authority;

"tourism accommodation" has the meaning given to it by regulation 2 of the Investment (Priority Sectors) Regulations, 2016;

"tourism" has the meaning given to it by regulation 2 of the Investment (Priority Sectors) Regulations, 2016.

3. Duties exemptions for all priority sectors. (1) Every investor with a qualifying investment in a priority sector is hereby granted a 100% waiver on customs duties on the following items for the purposes of the qualifying investment into the priority sector facility–

(a) building materials approved pursuant to subsection (2);

(b) fixtures;

(c) furnishings; and

(d) networking elements and computer hardware and software, for every item that cannot be reasonably sourced in Grenada or in another CARICOM Member State.

(2) Prior to the application of a 100% waiver on customs duties under subsection (1) (a), the investor shall make a declaration, to the Comptroller, which shall–

(a) set out the description, quantity and cost of the building materials required for the purposes of the qualifying investment; and

(b) be certified by a licensed engineer or licensed quantity surveyor.

4. Duties exemptions for agriculture, agribusiness, and agricultural research. (1) Every investor in agriculture, agribusiness, and agricultural research is hereby granted a 100% waiver on customs duties on the following items–

(a) production machinery;

(b) equipment; and

(c) spare parts under paragraphs (a) and (b)–

(i) in the case of a new investor, for five years from the establishment of the operations;

(ii) in the case of an existing investor, for five years from the commencement of this Order,

for the purposes of the business activity.

(2) Subject to subsection (3), every investor with a qualifying investment in agriculture, agribusiness, and agricultural research is hereby granted a waiver on customs duties on motor vehicles as follows–

(a) 100% in the case of specialised motor vehicles as approved by the Ministry of Agriculture;

(b) 50% in the case of motor vehicles for the transport of goods; and

(3) The grant of a waiver on customs duties for motor vehicles under subsection (2) shall apply to–

(a) a maximum of four motor vehicles, where qualifying costs do not exceed thirty million dollars; and

(b) a maximum of six motor vehicles, where qualifying costs exceed thirty million dollars,

and the company name and mark of the investor shall be affixed to every motor vehicle to which the waiver under subsection (2) was applied.

5. Duties exemptions for manufacturing. (1) Every investor in manufacturing is hereby granted a 100% waiver on customs duties on the following items–

(a) production machinery;

(b) equipment; and

(c) spare parts for production machinery and equipment under paragraphs (a) and (b)–

(i) in the case of a new investor, for five years from the establishment of the operations;

(ii) in the case of an existing investor, for five years from the commencement of this Order,

for the purposes of the business activity.

(2) Subject to subsection (3), every investor with a qualifying investment in manufacturing is hereby granted a 100% waiver on customs duties on specialised motor vehicles as approved by the Grenada Industrial Development Corporation, for the purposes of the qualifying investment into the priority sector facility.

(3) The grant of waiver on customs duties for motor vehicles under subsection (2) shall apply to–

(a) a maximum of four motor vehicles, where qualifying costs do not exceed thirty million dollars; and

(b) a maximum of six motor vehicles, where qualifying costs exceed thirty million dollars, and the company name and mark of the investor shall be affixed to every motor vehicle to which the waiver under subsection (2) was applied.

6. Duties exemptions for information technology services, telecommunication services and business processing outsourcing. (1) Every investor engaged in–

(a) information technology services;

(b) telecommunication services; or

(c) business processing outsourcing,

is hereby granted a 100% waiver on customs duties on the following items–

(i) network elements;

(ii) infrastructure materials; and

(iii) equipment,

for the purposes of the business activity.

(2) Subject to subsection (3), every investor with a qualifying investment in–

(a) information technology services;

(b) telecommunication services; or

(c) business processing outsourcing,

is hereby granted a 50% waiver on customs duties on the following items–

(i) motor vehicles for the transport of 10 or more persons including the driver;

(ii) motor vehicles for the transport of goods; and

(iii) motor vehicles designed for the transport of not less than 10 persons,

for the purposes of the business activity.

(3) The grant of waiver on customs duties for motor vehicles under subsection (2) shall apply to–

(a) a maximum of four motor vehicles, where qualifying costs do not exceed thirty million dollars; and

(b) a maximum of six motor vehicles, where qualifying costs exceed thirty million dollars,

and the company name and mark of the investor shall be affixed to every motor vehicle to which the waiver under subsection (2) was applied.

(4) Every investor engaged in business processing outsourcing is hereby granted a 100% waiver on customs duties on office supplies, and stationery, for the purposes of the business activity, if–

(a) the items are branded with the company name or mark of the investor; and

(b) the priority sector facility provides or will provide services that are wholly export in nature.

7. Duties exemptions for medical services. Every investor with a qualifying investment in medical services is hereby granted, for the purposes of the business activity, a 100% waiver on customs duties on specialised motor vehicles as may be approved of the Ministry of Health, and the company name and mark of the investor shall be affixed to every motor vehicle to which the waiver under this section was applied.

8. Duties exemptions for tourism accommodation. (1) Every investor engaged in tourism accommodation is hereby granted a 100% waiver on customs duties on the items listed in Part A of Schedule I, for the purposes of the business activity.

(2) Every investor engaged in tourism accommodation is hereby granted a 100% waiver on customs duties on the items listed in Part B of Schedule I as follows–

(a) in the case of a new investor, for five years from the establishment of the operations;

(b) in the case of an existing investor, for five years from the commencement of this Order,

for the purposes of the business activity.

(3) Every investor engaged in tourism accommodation is hereby granted a 100% waiver on customs duties on the items listed in Schedule II, for the purposes of the business activity.

(4) Subject to subsection (5), every investor with a qualifying investment in tourism accommodation is hereby granted a 50% waiver on customs duties on motor vehicles for the transport of goods, for the purposes of the business activity.

(5) The grant of waiver on customs duties for motor vehicles under subsection (4) shall apply to–

(a) a maximum of four motor vehicles, where qualifying costs do not exceed thirty million dollars; and

(b) a maximum of six motor vehicles, where qualifying costs exceed thirty million dollars,

and the company name and mark of the investor shall be affixed to every motor vehicle to which the waiver under subsection (4) was applied.

(6) Notwithstanding subsection (4), every investor with a qualifying investment in priority sector facility tourism accommodation with a rating of not less than four stars is hereby granted a 100% waiver on customs duties on one luxury motor vehicle, for the purposes of the qualifying investment into the priority sector facility.

9. Duties exemptions for tourism. (1) Subject to subsection (2), every investor engaged in tourism is hereby granted a 50% waiver on customs duties on motor vehicles for the transport of goods, for the purposes of the business activity.

(2) The grant of waiver on customs duties for motor vehicles under subsection (1) shall apply to–

(a) a maximum of four motor vehicles, where qualifying costs exceed one million dollars but do not exceed thirty million dollars; and

(b) a maximum of six motor vehicles, where qualifying costs exceed thirty million dollars,

and the company name and mark of the investor shall be affixed to every motor vehicle to which the waiver under subsection (1) was applied.

(3) Every investor with a qualifying investment in tourism in water sporting operations is hereby granted a 100% waiver on customs duties on the items listed in Schedule III for the purposes of the business activity.

(4) Every investor engaged in tourism in marina services is hereby granted a 100% waiver on customs duties–

(a) on the items listed in Part A of Schedule IV;

(b) once in every five years, on the items listed in Part B of Schedule IV,

for the purposes of the business activity.

10. Duties exemptions for student accommodation. (1) Every investor engaged in student accommodation is hereby granted a 100% waiver on customs duties on the following items for the construction or expansion of the facility–

(a) building materials approved pursuant to subsection (2);

(b) fixtures; and

(c) furnishings,

for every item that cannot be reasonably sourced in Grenada or in another CARICOM Member State.

(2) Prior to the application of a waiver on customs duties under subsection (1) (a), the investor shall make a declaration, to the Comptroller, which shall–

(a) set out the description, quantity and cost of the building materials required for the purposes of the qualifying investment; and

(b) be certified by a licensed engineer or licensed quantity surveyor.

11. Duties exemptions on tour and taxi services. (1) Every investor engaged in tour services is hereby granted a 50% waiver on customs duties on the following types of motor vehicles, upon establishment of the operations–

(a) all-terrain vehicles;

(b) bicycles;

(c) any other similar vehicles as approved by the Grenada Tourism Authority.

(2) Once in every five years, every investor engaged in taxi services or tour services is hereby granted a 50% waiver on customs duties on a maximum of two of following types of motor vehicles–

(a) tour buses;

(b) limousines; and

(c) any other luxury vehicles.

12. Duties exemptions on heavy equipment operations. Every investor engaged in heavy equipment operators is hereby granted a 75% waiver on customs duties on the items listed in Schedule II, upon the establishment of the operations and for the purposes of the operations.

Schedule I

(section 3)

PART A

Exemptions for Tourism Accommodation – Soft Furnishings

(i) carpets, rugs, mats

(ii) sheets, pillow cases, mattress pads, blankets, bed sheets

(iii) bath mats, table cloths

(iv) drapery fabric, upholstery fabric, bath towels

(v) cutlery, crockery and glass wares

PART B

Exemptions for Tourism Accommodation – Spare Parts

(i) commercial dishwasher

(ii) commercial glass washer

(iii) commercial ironer

(iv) commercial washing machine

(v) commercial dryers

(vi) commercial stoves/ovens

(vii) commercial icemaker, bar coolers and chillers

(viii) commercial refrigerators

(ix) walk-in refrigerators

(x) water heating systems (solar or electrical)

(xi) reverse osmosis system

(xii) salt chlorination systems (for pools)

(xiii) generator

(xiv) air conditioning units (both split unit and central systems)

(xv) water pumps

(xvi) fire pumps

Schedule II

(sections 8 and 12)

Exemptions for Tourism Accommodation and Heavy Duty Operations

(i) commercial generators

(ii) dump trucks (10 tons)

(iii) compressor

(iv) concrete mixer (10 ft. cubic)

(v) crane

(vi) crushing plant

(vii) jack hammer, rock drill

(viii) motorised ride mower

(ix) excavator

(x) front end loader

(xi) heavy duty pothole mini excavator with attachments

(xii) jumping jack

(xiii) chipper shredder

(xiv) oxygen cutting sets

(xv) rock grabber

(xvi) site dumper

(xvii) 20 ton roller

(xviii) grader

(xix) backhoe

(xx) vibrator roller

(xxi) concrete pump and accessories

(xxii) concrete trucks

(xxiii) cement silo

(xxiv) vibrating roller (10 tons)

(xxv) bulldozer

(xxvi) asphalt spreader

(xxvii) plate compactor

(xxviii) concrete plant

(xxix) sledge pump or dewatering pumps

(xxx) asphalt distributor

(xxxi) water trucks

Schedule III

(section 9)

Exemptions for Tourism – Water Sporting Operations

(i) boats;

(ii) engines;

(iii) compressors;

(iv) scuba tanks;

(v) regulators;

(vi) consoles;

(vii) buoyancy control devices;

(viii) dive computer compressors;

(ix) safety equipment and other equipment.

Schedule IV

(section 9)

PART A

Exemptions for Tourism in Marina Services – Raw Materials

(i) resins (epoxy, vinylester, polyester);

(ii) gelcoats, fiberglass cloth (biax, women rovings);

(iii) wet and dry marine abrasive paper;

(iv) acetone solvents/thinners MKE, marine cleaner waxes (mold release wax);

(v) marine paints/primers (epoxy, polyurethane and enamel based);

(vi) riggings hardware (shackles, hooks, eyes, padeyes, bolts, snaps, rings, pins, plates, cleats, straps);

(vii) 316 stainless steel fasteners;

(viii) 316 stainless steel nuts and bolts;

(ix) 6061 grade aluminum sheets, rods, angles, tubs, pipes, wood including teak;

(x) polypropylene honeycomb core material, balsa core, foam core, marine adhesive;

(xi) sealants and glues, polishes in drums, acids (teak cleaning acids) in drums;

(xii) marine liquid soaps (in drum) cloth and canvas for small furniture, thread;

(xiii) zippers in rolls, hoses in rolls, electrical wire in rolls;

(xiv) electrical connectors, terminals, marine paint including anti-fouling paint and airless sprayers.

PART B

Exemptions for Tourism in Marina Services – Spare Parts

(i) 50-150 tons, marine hoist, 5-7.5 horsepower 4000-psi-pressure washers;

(ii) paint shaker, chocks/stands and yacht props;

(iii) marine electrical and water fittings, hydraulic trailer;

(iv) stacking trailer, skid steer, crane, electrical saws and blades;

(v) welding torches and welding rods (mig, tig, torches and plasma cutters);

(vi) CNC milling machine, 16’ precision metal lathe, hydraulic press (500 tons).

Made by the Minister this 21st day of April, 2016.

GREGORY BOWEN
Minister responsible for Finance (Ag.).

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