



GUYANA OFFICE  
FOR INVESTMENT

2019-2020 Guide for Investors



GUYANA

OPEN FOR  
INVESTMENT



[www.goinvest.gov.gy](http://www.goinvest.gov.gy)

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Pritipaul Singh Investments Seafood Complex, McDoom

## WHY INVEST IN GUYANA?

### Natural Resources

Guyana is a country of vast, untapped, natural resources. Endowed with extensive savannahs; productive land and forests; rich mineral deposits of gold, bauxite and diamonds; abundant water resources and miles of Atlantic coastline, the country presents dynamic business opportunities across multiple sectors of the economy. While recognised globally as a producer of rice and sugar, much of its agricultural potential is yet to be realised, especially with regard to fresh and processed fruits and vegetables. Its forestry potential is just beginning to be realised, particularly in the realm of value-added wood products. Its extensive Atlantic Coastline and network of rivers provide ideal conditions for both seafood and aquaculture. Its pristine environment, unspoiled rainforest landscape, exotic fauna and natural attractions, which include the famous Kaieteur Falls —the highest single drop waterfall in the world— make Guyana a highly attractive location for eco and adventure tourism.

In 2000, the US Geological Survey (USGS) sparked the Oil and Gas Industry's interest in the Guyana-Suriname offshore basin with the release of its USGS assessment of undiscovered resource potential in South America. The 2012 update of this report identified the basin as the second-largest prospect on or near the continent. The assessment's mean values for the basin were 13.6 Bbbl of oil, 21.2 Tcf of natural gas, and 574 MMbbl of NGLs. The discoveries to date, represent one of the most significant global finds in recent years. These discoveries have de-risked the basin, which is estimated to contain at least seven billion oil-equivalent barrels, and have resulted in the significant ramping up of exploration activities in other already-allocated offshore blocks.

### Location

Guyana's unique geographic position and its socio-political heritage put it at the gateway of South America and the Caribbean. On the one hand, its Caribbean and English-speaking legacy enables Guyana to be part of the Caribbean Community (CARICOM), while on the other, it is a South American country bordered by Brazil, one of the largest economies on the Continent.



Shore Base Facility at Houston

## Duty-Free Market Access

Through a combination of regional, bilateral and preferential agreements, about 75 percent of Guyana's exports enter destination markets duty-free, with many others receiving duty-reduced access. This is achieved through Guyana's membership in CARICOM, which provides duty-free access to the 15-Nation CARICOM Market, through CARICOM agreements with the Dominican Republic, Colombia, Costa Rica, Cuba and Venezuela, as well as, partial scope agreements with Brazil and bilateral agreements with Argentina, China, and Turkey. Guyana also benefits from preferential duty-free or reduced-duty access to major developed country markets through CARIBCAN (Canada), the U.S. Caribbean Trade Partnership and the European Union's (EU) ACP Cotonou Agreement.

## Language

Guyana is the only English-speaking nation in South America. Investors contemplating the installation and operation of service enterprises will find this as a distinct advantage. This is especially true for those involved in the growing IT and Business Process Outsourcing (BPO) markets in North America, as well as businesses conducting operations to support the activities of large corporations worldwide, and those serving English-speaking tourism markets.

## Affordable Labour

Guyana has one of the most competitive wage rates when compared to Latin America and the Caribbean. The labour force is well educated, with literacy estimated at close to 91.8 percent. Further, the labour force is regarded as trainable and hard-working.

## Openness to Investment

Both public and private sector leaders have declared Guyana "open for business". Foreign investors are afforded the same incentives as domestic investors. Guyana offers an array of across-the-board investment incentives, including a flat business tax rate, tax holidays, waivers of customs duties, export tax allowances and unrestricted repatriation of profits, as well as additional incentives in priority export sectors. Furthermore, Guyana Office for Investment (GO-Invest), Guyana's investment promotion agency, provides effective support to investors before, during and after an investment has been realised.





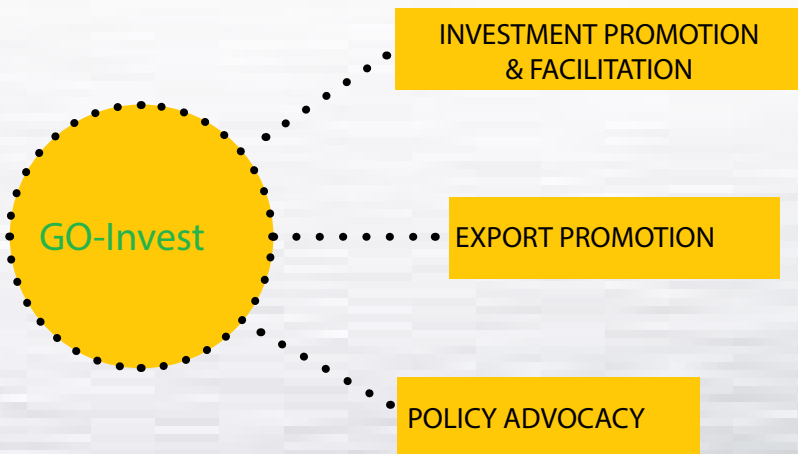
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## ABOUT US

GO-Invest was established by Order pursuant to the Public Corporations Act in 1994 as a semi-autonomous body to encourage and assist investors in the Guyanese economy. Over the years the services provided by GO-Invest have evolved to meet the needs of investors and we continue to improve the services we offer.

GO-Invest has three core functions: (1) Investment Facilitation and Promotion, (2) Export Promotion and (3) Policy Advocacy. With these functions, GO-Invest offers a full complement of services to domestic and foreign investors as well as export ready Guyanese businesses. Under the Investment Act, foreign investors receive equal treatment and legal protection to domestic investors.

### FUNCTIONS OF GO-INVEST





THE WORLD'S TALLEST SINGLE DROP (741 ft) WATERFALL

- Key to Map**
- Waterfall
  - Nature Resort
  - Historic Site
  - Amelindian Site
  - Town/Community
  - Scenic/Nature
  - Main Road
  - Minor Road & Trails (only taken on one side)
  - Main River
  - Minor River
  - Major Airport
  - Airstrip
  - Administrative Regions
  - Major Bridge



**GUYANA: FACTS & FIGURES**

**SIZE:** 83,000 square miles (214 969 km<sup>2</sup>)

**POPULATION:** 773,453 (March 2017 UN est.)

**LOCATION:** Guyana is located on the north eastern shoulder of the South American Continent between latitudes 1° and 9° and longitudes 57° and 61°. The Atlantic Coast stretches for 432km/270m and extends south to a depth of 720km / 450m. Guyana is bound by Suriname in the East, Venezuela in the West, Brazil on the South and Southwest and the Atlantic Ocean in the North-Northeast.

**CLIMATE:** tropical, hot, humid, moderated by north-east trade winds. Mean Temperature of 27.5°C. Coastal ranges from 20°C - 34°C. Interior ranges 18°C - 40°C

**CURRENCY:** Guyana Dollar (GYD)



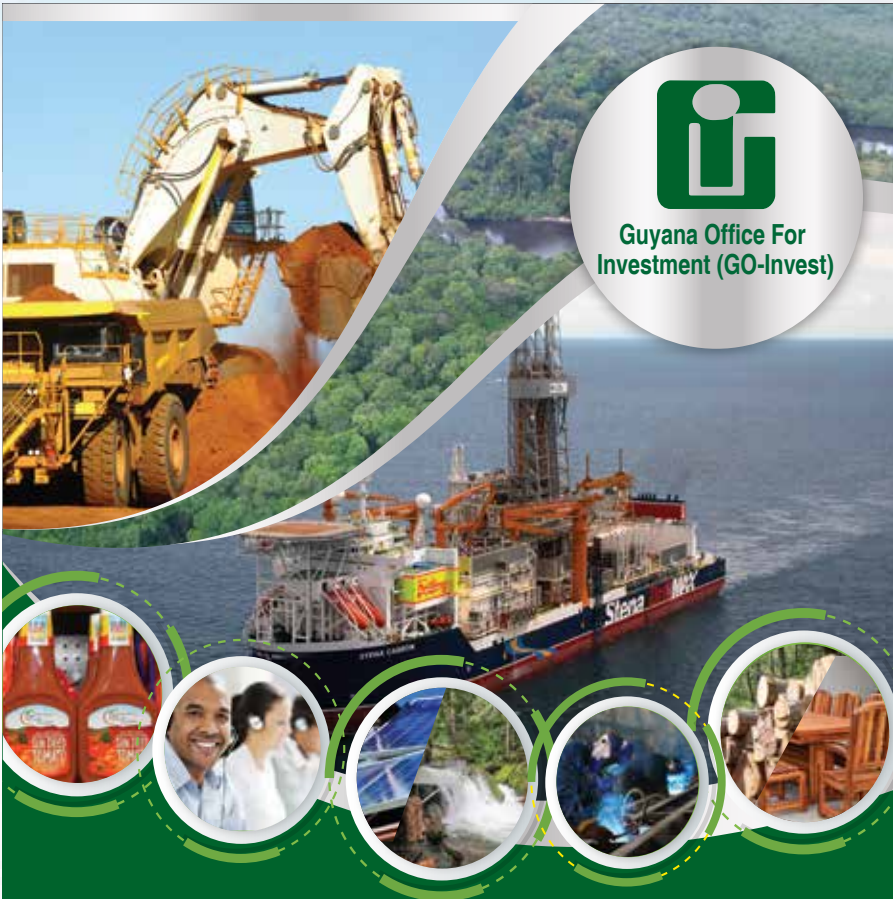
No. 63 Beach



## Benefits of Contacting GO-Invest

### **Facilitation services offered by GO-Invest are free.**

- ▶ Guyana provides an array of across-the-board investment incentives, including a flat business tax rate, tax holidays, waivers of customs duties, export tax allowances, and unrestricted repatriation of profits, as well as additional incentives in priority sectors.
- ▶ GO-Invest assists investors to obtain fiscal incentives, including exemptions of customs duties and taxes on equipment, machinery and vehicles.
- ▶ GO-Invest prepares a draft Investment Agreement (IA) between the investor and the Government of Guyana. The Guyana Revenue Authority (GRA) then peruses the IA and forwards it to the Ministry of Finance for execution by the Honourable Minister of Finance.
- ▶ GO-Invest assists in facilitating joint ventures between local and foreign investors.
- ▶ GO-Invest assists in identifying export markets and providing market access information.
- ▶ GO-Invest assists in obtaining land for commercial and industrial enterprises.
- ▶ GO-Invest shares information on investment opportunities in Guyana
- ▶ GO-Invest assists exporters in participating in local and international exhibitions and trade missions.
- ▶ GO-Invest provides investors with a summary of steps necessary to commence business operations in Guyana and lends support throughout the process.



Guyana Office For Investment (GO-Invest)

# Guyana The New Frontier

## SERIOUS ABOUT INVESTING & EXPORTING?

Let GO-Invest advise on incentives available in all sectors of Guyana's economy. Including the priority sectors- \*Agriculture \*Energy \*Forestry \*ICT \*Light Manufacturing \*Mining \*Tourism \*Services

CONTACT US



190 CAMP & CHURCH STREETS, GEORGETOWN, GUYANA, S. A.  
TEL: (592) 225-0658; 227-0653 FAX: (592) 225-0655

GOINVEST@GOINVEST.GOV.GY  
WWW.GOINVEST.GOV.GY





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Packaged Fish Products by Global Seafoods Ltd.

## AREAS OF OPPORTUNITY

Guyana offers potential investors—foreign and domestic alike—investment opportunities over a broad spectrum of activities, particularly in export-oriented industries. Opportunities include mature, yet lucrative sectors, such as mining, timber, sugar, rice and seafood, as well as emerging sectors such as non-traditional agriculture (e.g. tropical fruits and vegetables), agro-processing, aquaculture, value-added wood products, light manufacturing, tourism and IT-enabled services (e.g. call centres, medical transcription). In particular, the enormous growth potential of Guyana’s non-traditional sectors remains largely untapped. Investors who leverage Guyana’s access to markets will find doing business in Guyana advantageous, with a favourable operating environment, and various investment incentives to establish and expand operations in sectors of opportunity.

**The Government of Guyana encourages investment in the following growing industries:**

- ▶ **Agriculture & Agro-Processing** - This industry includes seafood and aquaculture; processing (fruit juice concentrates and pulp, vegetable flour); fresh fruits and vegetables; livestock (poultry, beef, mutton, pork and goat); inputs (seeds, fertilisers); machinery and equipment; sugar cane and rice; spices, etc.
- ▶ **Light Manufacturing** - Textiles and garments; pharmaceuticals; building and construction materials; packaging, etc.
- ▶ **Services** - Financial, medical, environmental, transportation, machining, downstream activities within the Oil and Gas Industry, etc.



- ▶ **Energy** - This industry includes solar power, hydro power, bio-fuels, bio-diesel, wind power, co-generation from rice husk/bagasse and biomass power as well as petroleum and gas exploration (Guyana will enter the production phase by 2020) and other downstream activities within this area.
- ▶ **Tourism** - Resorts/hotels, recreational activities (cruise ships, yachting, bird watching, nature tourism, fishing) etc.
- ▶ **Forestry/Wood Products** - Downstream wood processing (flooring, decking, moulding, doors, shingles, dimensional lumber, furniture, plywood, veneers etc.).
- ▶ **Information & Communication Technology** - This sector includes Business Process Outsourcing (BPO), call centres (inbound/outbound), software development as well as medical and legal transcription.
- ▶ **Mining** - GO-Invest facilitates laboratory services to support the mining sector. The Guyana Geology and Mines Commission facilitates all other fiscal incentives concerning the Extractive Industries.

In its efforts to attract investment, the Government is emphasising activities that improve efficiency and competitiveness. It is promoting strategies that encourage private income generation, job creation and increased value-added activities in the economy, to encourage foreign exchange earnings and foster sustainable development.



## Starting a Business In Guyana (Local & Foreign Investors)

Foreign nationals are required to have visas and work permits. Kindly visit the Ministry of Foreign Affairs, web site (<https://www.minfor.gov.gy/visa-entry-requirements-countries/>) for a list of countries whose nationals do not require visas to travel to Guyana. People planning long-term visits can apply for a five-year renewable visa. Short-term visitors can apply for a visitor's visa which is valid for 30 days and can be extended for an additional two months. Companies can apply for work permits on behalf of their employees.

**Business Registration** - This is done through the Commercial Registry as either a sole proprietor, partnership or incorporated company. There are two ways to register a business in Guyana:

**1. The Business Names (Registration) Act and the Partnership Act are the legal basis for a sole proprietor or partnership registration.**

**Partnership:** This can be done by way of a simple agreement or under the Business Name Registration (as above). A fee of \$5,000 (approximately US\$25) presently is charged for this.

**2. The Companies Act, on the other hand, governs the incorporation of businesses. The Act requires every association, partnership, society, body or other group consisting of**

**more than 20 persons to incorporate before it can carry on any business or trade for gain. The Act requires that all private companies have at least one director and every company is required to appoint a company secretary. An application for incorporation of a company must be in the prescribed form and must state:**

- i. the proposed name of the company;
- ii. that the registered office of the company is situated in Guyana;
- iii. the classes and maximum number of shares that the company is authorised to issue;
- iv. the minimum issue price in respect of shares or classes of shares;
- v. if the right to transfer shares is restricted, then a statement to that effect is required as well as the nature of those restrictions;
- vi. the minimum and maximum number of directors allowable;
- vii. Whereby arrangement before its incorporation, shares of the company are to be paid for by a consideration other than cash, the nature of the consideration, its value in monetary terms and the extent to which the shares to be issued will be credited as paid up. This must be verified by the report of a qualified

accountant, valuer or surveyor stating that the consideration is worth the amount credited as paid up;

- viii. any restrictions on the business that the company may carry on.

On submission of this information and payment of the prescribed fee, the Registrar of Companies issues a Certificate of Incorporation which serves as evidence of the existence of the company as at the date stated on the Certificate.

## Investment Process with GO-Invest

### *Acquiring Incentives for New and Expanding Projects*

#### **Step 1**

Investors are required to complete and submit the GO-Invest Expression of Interest (EOI) Form and a Business proposal. Returning Investors (investors who would have received fiscal incentives under previous Investment Agreements) and those expanding their businesses are required to submit a Progress Report on their business in addition to a new EOI and an updated Proposal. Investors are welcome to contact GO-Invest and either meet with an officer or schedule an appointment to further discuss or clarify any aspect of the application process. Returning investors are encouraged to contact the officer previously appointed to their project. All forms can be downloaded from the GO-Invest website: <http://goinvest.gov.gy/forms/>.

#### **Step 2**

Management reviews the completed forms and business proposal, and if the investor has not met with an officer, one will be appointed to oversee the project and all interactions between the agency and the investor. The project officer will guide and apprise the investor of all information required to begin the drafting of the Investment Agreement (IA). GO-Invest may request a visit to the site of operations as part of its due diligence process.

#### **Step 3**

The GRA reviews the draft IA and works with GO-Invest and the investor to resolve any issues that may arise. Note: The GRA may request a meeting or site visit with the investor and/or GO-Invest for clarification of information provided.

#### **Step 4**

The IA with recommendations is forwarded to the Minister of Finance (MoF) for consideration and decision. MoF has the discretion to decline to execute the IA.

#### **Step 5**

The executed IA is returned to the GRA, who forwards same to GO-Invest. GO-Invest then ensures the investor receives their copy of the Executed IA.

**NOTE: An Investment Agreement (IA) is a legally enforceable agreement between the Government of Guyana and the investor that governs the terms, and conditions by which fiscal incentives are granted.**





## Information required from the Investor

- Cover letter to GO-Invest making reference to an application for exemptions
- Completed Expression of Interest Form
- Completed IA Progress Report (if applicable)
- Business proposal
- Business registration or incorporation documents
- Taxpayer Identification Number (TIN Certificate)
- Register with the National Insurance Scheme and obtain NIS Employer Number.
- GRA and NIS Compliance (if applicable)
- Evidence of ownership or tenancy of land/property where operations will be located
- Register for Tax Identification Number (TIN) with the GRA. A TIN is a unique computer-generated number allocated to each taxpayer. All taxes are the same for overseas companies registering in Guyana as that of the local companies.
- Register for Value Added Tax (VAT) certificate through GRA.

## What should be included in your Business Proposal

After an Investor has made the decision to embark on a business enterprise in Guyana and wishes to access fiscal incentives, a Business Plan and an Expression of Interest Form (EOI) must be submitted in triplicate to the Agency. As noted above, returning investors are also required to complete and submit the Investment Agreement Progress Report.

**However, there are a number of key disclosures required including:**

- General introduction of the investor and business sector in which the investor has an interest.

- Description of the business and its related activities, including future expansion.
- Reason(s) for entering into business in the respective Region, including anticipated demand and supply for goods and or services, marketing strategies and target markets.
- Fiscal incentives being requested.
- Financial information (source of financing) and five-year cash-flow projection for the Project sufficient to enable a net benefit analysis of the project.
- Itemised list of capital items (including quantities and their value) which require waiver of customs duty and taxes.
- Employment projections inclusive of proposed salaries and positions.
- Infrastructure (if any) proposed to be provided by the business (water access, drainage, waste disposal, etc.).
- Environmental Report (if applicable).
- If an application is made for land, a long range development plan depicting property use including site plan with building footprint, travel ways, parking, etc.
- Visual presentations (photographs) to assist with analysis of the proposed investment.

## Acquiring Land

Where allocation for Government land is requested for the proposed project, an application must be submitted to GO-Invest for recommendation.

### **GO-Invest liaises on behalf of Investors with a number of Agencies including:**

- Ministry of Business
- Ministry of Finance
- Guyana Revenue Authority
- Ministry of Agriculture
- Guyana Lands & Surveys Commission
- Environmental Protection Agency
- Department of Tourism
- Guyana Geology and Mines Commission (GGMC)
- National Industrial and Commercial Investments Limited
- Central Housing and Planning Authority
- Ministry of Communities



## Export Procedure

### Step 1

**Register Business** – Exporters should ensure that their business is registered. This can be completed at the Commercial Registry. (See page 10 “Starting a Business in Guyana”).

### Step 2

**Taxpayer Identification Number** – Exporters are required to register with the GRA for a TIN.

### Step 3

**Identify Source of Product(s)** – Exporters should consider where they will be sourcing a steady supply of the product for export. Points to be noted are: Is the exporter the producer or will they be purchasing the product for export? If so, will the supply be consistent? Are contractual arrangements in place between the exporter and supplier to ensure reliability?

### Step 4

**Identify External Markets** – Pertinent questions to ask include: Which countries are the main importers of this product from Guyana/Caribbean? What is the tariff applied to the product by the target country? What are the importers paying for this product? In some cases, GO-Invest can assist in identifying markets for products.

### Step 5

**Packaging Requirement** – What are the packaging requirements in the target market? Countries have specific packaging and labeling requirements for retail products. Some importers also have mandatory standards for exporters. For instance, organic produce often requires certification that no chemical fertilisers were used in their cultivation.

### Step 6

**Acquire Appropriate Licence** – There are a number of items that require an export licence to exit Guyana legally. These include:

- Wildlife (birds etc.) (will also require a licence from Environmental Protection Agency); the exporter will need to have been a legal resident of Guyana for more than a year and will require a permit from the Ministry of Agriculture;
- Poultry Feed • Wheatflour • Beet Sugar And Cane Sugar In Solid Form

•Fertilisers •Hides and Skins •Gold •Jewelry made from precious metal or rolled precious Metal •Weapons and Ammunition •Seafood (licence from Fisheries is required for export).

### Step 7

Identify mode of transport (air/sea) – Exporters should consider the best means to transport products. Does the product require certain storage conditions to avoid spoilage, e.g. refrigeration? Reliability of the shipping company should also be considered. GO-Invest can supply exporters with a list of shipping companies in Guyana.

### Step 8

Identify a Broker – A good broker will make the exporting process relatively easy. The New Guyana Marketing Corporation (New GMC) offers brokerage services to exporters.

### Step 9

Export!

## PACKAGING FACILITIES

There are two approved packaging facilities for Fruits and Vegetables in Guyana.

### **Central Packaging Facility; National Exhibition Complex, Sophia.**

Tel.: (592) 219-0085

Email: [info@newgmc.com](mailto:info@newgmc.com)

### **Parika Agro Packaging Facility; Mora, Parika**

Tel.:(592) 260-4983

For more information, contact the New Guyana Marketing Corporation at 87 Robb and Alexander Streets, Georgetown, Tel: (592) 226-8255 or 227-1630. Email: [info@newgmc.com](mailto:info@newgmc.com).

There are three categories of fiscal incentives available to both local and foreign





## Incentives

investors. These are General Incentives, Special Incentives and Sector Specific Incentives.

### ► General Incentives

Across the board incentives for investors.

- Tax Holidays - Pioneering Projects (new economic activity), etc.
- Incentives when the activity creates new employment in the following regions:
  - Region 1: Barima / Waini
  - Region 7: Cuyuni / Mazaruni
  - Region 8: Potaro / Siparuni
  - Region 9: Upper Takatu / Upper Essequibo
  - Region 10: Upper Demerara / Upper Berbice

Initial Allowance equal to 1/10th of capital expenditure allowed for construction on hotel buildings in Regions 1, 7, 8, 9 and 10.

Tax credit equal to 75% of income and corporate taxes payable on profits from tourism activities, for investments in Regions 1, 7, 8, 9 and 10.

#### • Zero-rated Customs Duties and VAT on:

- Most plant, machinery, and equipment
- Raw materials and packaging materials used in the production of goods by manufacturers licensed by the GRA
- Unlimited carry-over of losses from previous years
- Accelerated depreciation on plant and equipment
- Full and unrestricted repatriation of capital, profit, and dividends
- Benefits of double taxation treaties with the UK, Canada, Kuwait and CARICOM countries

### ► Sector Specific Incentives (provided in addition to general incentives)

## ► Agri-business

Waivers of Custom Duties and VAT on:

- A wide range of machinery and equipment for land preparation and cultivation, including agricultural hand tools and spare parts for agricultural machinery
- Vehicles imported in accordance with the published guidelines for farming enterprises
- A wide range of agro-processing equipment
- Duty-free importation on a wide range of agro-chemicals (e.g., insecticides, herbicides, fungicides, etc.)
- Allowances for expenditures incurred for development and cultivation purposes

## ► Construction

- For Businesses registered with the Small Business Bureau, a reduced rate of income and corporate tax rates of 25% on taxable profits
- Exemption from Customs Duty on limestone used in the agriculture sector

## ► Fisheries

- Exemption from import duties on trawlers, fishing vessels, spare parts for fishing boats and trawlers, a wide range of fishing equipment
- Exemption from custom duties and VAT on fish/seafood processing equipment, packaging material and other inputs for processing

## ► Manufacturing

Custom Duties and Zero-rated VAT on:

- A wide range of processing machinery and equipment, including packaging equipment, raw materials for manufacturing companies registered under the VAT Act



## Incentives Cont'd

- Exemption on a wide range of auxiliary plant equipment such as boilers, forklifts, scales for continuous weighing, continuous-action conveyors, etc.
- Exemption from import duty and VAT on packaging materials, for the manufacturing of exempt items, by manufacturers registered under the VAT Act
- For businesses registered with the Small Business Bureau, a reduced rate of income and corporate tax rates of 25% on taxable profits
- Export allowance extended to exporters of non-traditional products who are paid in a recognized tradable currency.

### ► Tourism

#### *Eligible for Duty and VAT Exemptions on Capital Items*

- New guesthouses/hotels/lodges with not less than thirty rooms outside of interior locations
- Expansion of hotels and resorts with no less than eight rooms in interior locations and no less than thirty rooms outside of interior locations
- Facilities must be approved by the Guyana Tourism Authority

#### *Items eligible for concessions*

For interior locations, the following items, in addition to the above, may be accorded concessions:

- Energy system generators
- Communication equipment – radio sets
- Boats, engines, life jackets, Water bikes (recreational vehicles) and camping equipment
- Portable chemical toilets
- Construction materials, furnishing, fixtures, appliances and vehicles necessary for operations

#### *Vehicles*

#### *Incentives for Incorporated Companies*

The following Excise Tax exemptions and reductions apply to motor vehicles that are used exclusively overland in the Tourism Industry in Regions 1, 7, 8, 9 and 10.

- Vehicles less than four years old with a cylinder capacity (cc) exceeding 2,000 cc shall be exempt from the payment of Excise Tax;
- Vehicles four years old and over exceeding 2,000 cc but not exceeding 3,000 cc: Excise Tax shall be reduced using the following formula:  $((CIF+US\$13,500) * 35\%)+ US\$13,500$ .
- Vehicles four years old exceeding 3,000 cc: Excise Tax shall be reduced using the following formula –  $((CIF+US\$14,500 * 35\%)+US\$14,500)$ .
- These motor vehicles must be used EXCLUSIVELY by incorporated entities in the tourism industry that have been in existence and operating for at least five years to transport people within Regions 1, 7, 8, 9 and 10.

#### *Other Incentives within the Tourism Sector*

Exempt from the payment of import duties and excise taxes, motor buses with 12 or more seats, not exceeding four years old, purchased and used exclusively for the transportation of tourists anywhere in Guyana, and registered and licensed as a tourism operator by the Guyana Tourism Authority (GTA).

- Vehicles eligible for concessions must have twelve seats and over for tourist accommodation facilities.
- For incorporated entities operating in Regions 1, 7, 8, 9 and 10 for at least five years, reduction in the rates of Excise Tax on the importation of overland transportation used for tourism purposes is applicable to vehicles between 2,000 cc and 4,000 cc.
- For vehicles 2,000 cc to under 3,000 cc and which are less than four years, the Excise Tax would be removed. For vehicles over 3,000 cc to 4,000 cc and which are less than four years, the Excise Tax would be removed.
- Free vehicle licences granted to motor buses and motor vehicles that operate in Regions 1, 7, 8 and 9.
- VAT will be removed on vehicles that are less than four years, which are equipped to transport more than 21 persons.
- The Excise Tax flat rate of US\$6,900 was removed and replaced with a VAT of 14 %, on vehicles four years and older that carry between 22 and 29 passengers.
- Duty-Free Concessions are limited to 50% of the value of investment for New Projects.





## Incentives Cont'd

- Duty-Free Concessions are limited to 25% of the value of Investment for Expansion Projects.
- Exemption of VAT and waiver of 5% import duty for boats (not exceeding 7.08 cubic metres (250 cubic feet)) used in rural and riverain areas designed for the transport of goods and persons .
- Exemption of VAT and waiver of 5% Import Duty on aircraft engines and main component/parts.

### ► Forestry/Wood Products

- Exemption from custom duties and VAT on machinery and equipment and vehicles used in logging, land development and sawmilling.

### ► Information & Communication Technology

- Exemption from custom duties on a wide range of ICT equipment including computers, hardware accessories, integrated circuits, micro assemblies and apparatus.
- Zero rates of VAT on computers, accessories, routers, switches and hubs for networking, computers.
- Exemptions from duties and taxes for items covered under an Investment Agreement.
- Tax holiday for some projects (with positive net economic benefit).

## Incentives Cont'd

### ► Energy

- Exemptions from duties and taxes on machinery, equipment, tools, spares and supplies and motor vehicles for industrial use.
- Investments (except wind and solar energy) may benefit from exemptions from property, corporate, withholding and capital gains taxes for a period of five years. These are renewable depending on the type of new employment created.
- Investments in wind and solar energy may benefit from exemptions from property, corporate, withholding and capital gains taxes for a period of two years.
- Income from the provision of wind and solar energy may be exempted from corporation tax for a period not exceeding two years.
- Tax exemptions are available within the energy sector for new economic activities of a developmental and risk-bearing nature which create new employment in areas such as:
  - Write off of capital expense within two years
  - Waiver of import duties and VAT on new equipment

### ► Services

- An allowance of 2% for wear and tear on buildings used for services and warehousing purposes.
- Exemption of VAT and waiver of Import Duty of 5 percent on water treatment and production plants.
- Exemption from VAT, and waiver of 5% duty on aircraft engines and main components/parts.



## Incentives Cont'd

### ► Special Incentives (provided in addition to General Incentives)

#### Firms producing non-traditional products for export

- Export allowances for non-traditional exports to markets outside of CARICOM: The allowance is calculated on a ratio of export sales to total sales.

% Of Export Sales to Total Sales	% Of Export Profit Deductible from Income Tax
10%-20%	25%
21%-30%	35%
31%-40%	45%
41%-50%	55%
51%-60%	65%
Above 61%	75%





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# NOTES



**GUYANA OFFICE  
FOR INVESTMENT**

190 Camp & Church Street,  
Georgetown Guyana S,A.

Tel: (592) 225-0658 / 227-0653

Fax: (592) 225-0655

Email: [goinvest@goinvest.gov.gy](mailto:goinvest@goinvest.gov.gy)

[www.goinvest.gov.gy](http://www.goinvest.gov.gy)