

INTERNATIONAL BUSINESS COMPANIES (AMENDMENT) ACT,
2012-23

Arrangement of Sections

1. Short title
2. Amendment of section 10 of Cap. 77

BARBADOS

I assent
ELLIOTT F. BELGRAVE
Governor-General
19th November, 2012.

2012-23

An Act to amend the *International Business Companies Act*.

[Commencement: 26th November, 2012]

ENACTED by the Parliament of Barbados as follows:

Short title

1. This Act may be cited as the *International Business Companies (Amendment) Act, 2012*.

Amendment of section 10 of Cap. 77

2. Subsections (1) and (2) of section 10 of the International Business Companies Act, Cap. 77 are deleted and the following is substituted:

“(1) Subject to this section and section 11, *in lieu* of tax at the rate specified in the *Income Tax Act*, Cap. 73, there shall be levied and paid to the Commissioner of Inland Revenue, a tax on the profits and gains of an international business company at the following rates:

- (a) in respect of the income year 1991 and each subsequent income year of the company,
 - (i) 2.5 per cent on all profits and gains up to \$10 000 000;
 - (ii) 2 per cent on all profits and gains exceeding \$10 000 000 but not exceeding \$20 000 000;
 - (iii) 1.5 per cent on all profits and gains exceeding \$20 000 000 but not exceeding \$30 000 000;
 - (iv) 1 per cent on all profits and gains in excess of \$30 000 000;
- (b) in respect of the income year 2012,
 - (i) 2.5 per cent on all profits and gains up to \$10 000 000;
 - (ii) 2 per cent on all profits and gains exceeding \$10 000 000 but not exceeding \$20 000 000;
 - (iii) 1.5 per cent on all profits and gains exceeding \$20 000 000 but not exceeding \$30 000 000;
 - (iv) 0.5 per cent on all profits and gains in excess of \$30 000 000;
- (c) in respect of the income year 2013 and each subsequent income year of the company,
 - (i) 2.5 per cent on all profits and gains up to \$10 000 000;

- (ii) 2 per cent on all profits and gains exceeding \$10 000 000 but not exceeding \$20 000 000;
- (iii) 1.5 per cent on all profits and gains exceeding \$20 000 000 but not exceeding \$30 000 000;
- (iv) 0.25 per cent on all profits and gains in excess of \$30 000 000.

(2) An international business company may elect to take a credit in respect of taxes paid to a country other than Barbados where the election does not reduce the tax payable in Barbados to a rate less than

- (a) 1 per cent of the profits and gains of the company in respect of the income year 1991 and each subsequent income year;
- (b) 0.5 per cent of the profits and gains of the company in respect of the income year 2012;
- (c) 0.25 per cent of the profits and gains of the company in respect of the income year 2013 and each subsequent income year.”.