

No. 29] *International Business Companies (Amendment) Act* [2003.

I ASSENT

[L.S.]

PEARLETTE LOUISY,
Governor-General.

28th December, 2003

SAINT LUCIA

No. 29 of 2003

AN ACT to amend the International Business Companies Act No. 40 of 1999 so as to protect certain rights and for matters connected therewith.

[12th January, 2004]

BE IT ENACTED by the Queen's Most Excellent Majesty, by and with the advice and consent of the House of Assembly and the Senate of Saint Lucia, and by the authority of the same, as follows :

Short title

1. This Act may be cited as the International Business Companies (Amendment) Act 2003.

Replacement of section 109

2. Section 109 is replaced by the following:

“Exemption from income tax and other taxes

109. — (1) Upon incorporation an international business company may elect :

- (a) to be exempted from income tax; or
- (b) to be liable to income tax on the chargeable income of the international business company at a rate of 1% in accordance with the Income Tax Act No. 1 of 1989.

(2) Notwithstanding any provisions of the Income Tax Act No. 1 of 1989 an international business company that elects to be exempt from tax under subsection (1)(a), shall not be required to file any tax returns, but an international business company that elects to pay tax under subsection (1) (b), shall file an annual tax return based on annual audited financial statements.

(3) An international business company shall not be subject to withholding, capital gains or other like taxes except for income tax for an international business company making an election as provided for in subsection (1) (b).

(4) For purposes of this section, an international business company shall not be considered to be doing business in Saint Lucia solely because it engages in one or more of the following activities —

- (a) maintaining one or more bank, trust or securities accounts in Saint Lucia;
- (b) holding meetings of directors or members in Saint Lucia;
- (c) maintaining corporate or financial records in Saint Lucia;
- (d) maintaining an administrative or managerial office in Saint Lucia with respect to assets or activities outside Saint Lucia;

No. 29] *International Business Companies (Amendment) Act* [2003.

- (e) maintaining a registered agent or registered office in Saint Lucia; or
- (f) investing in stocks or entities doing business in Saint Lucia or being a partner in a partnership existing under the laws of Saint Lucia or a beneficiary of a trust or estate which has Saint Lucia as its situs.

(5) Notwithstanding any provision of the Stamp Duty Ordinance, Cap. 219 to the contrary —

- (a) an instrument relating to transfers of any property to or by an international business company;
- (b) an instrument relating to transactions in respect of the shares, debts obligations or other securities of an international business company; or
- (c) an instrument relating in any way to the assets or activities of an international business company;

is exempt from the payment of stamp duty.

(6) Where an international business company does not elect either to be exempted or to be liable to tax in accordance with subsection (1), it will be deemed to be exempted from income tax.

(7) An international business company, which has been deemed to be exempted from income tax or which has elected not to be liable to tax, may by notice filed with the Registrar, by the registered agent acting on the authority of the directors, elect to be liable to income tax at the rate of 1% from the date of the election.

(8) An international business company that has made an election to be liable to tax at the time of incorporation, or a company that subsequently elected to pay tax in accordance with subsection (7), will be bound by such election for the life of the company.”

No. 29] *International Business Companies (Amendment) Act* [2003.

Passed in the House of Assembly this 25th day of November, 2003.

J. BADEN ALLAIN,
Speaker of the House of Assembly.

Passed in the Senate this 5th day of December, 2003.

THERESA ROMULUS,
Deputy President of the Senate.