



BELIZE

**SALES TAX ACT
CHAPTER 63**

REVISED EDITION 2000
SHOWING THE LAW AS AT 31ST DECEMBER, 2000.

This is a revised edition of the law, prepared by the Law Revision Commissioner under the authority of the Law Revision Act, Chapter 3 of the Laws of Belize, Revised Edition 1980 - 1990.

This edition contains a consolidation of the following laws -

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ARRANGEMENT OF SECTIONS

3

SALES TAX ACT

7

Amendments in force as at 31st December, 2000.



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CHAPTER 63

SALES TAX

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CHAPTER 63

SALES TAX

8 of 1999.
10 of 2000.

[30th March, 1999]

Commencement
[1. 4. 1999]

PART I

Preliminary

1. This Act may be cited as the Sales Tax Act.

Short title.

2. (1) For the purpose of this Act, unless the context otherwise requires:-

Interpretation.

“Board” means the Sales Tax Appeal Board appointed under Part V of this Act;

“body of persons” means any body politic, corporate or collegiate and any company, fraternity, fellowship, partnership, or society of persons whether corporate or unincorporate;

“certificate of registration” means a certificate of registration issued under section 11 of this Act;

“Commissioner” means the Commissioner of Sales Tax appointed under section 3 of this Act;

“consideration”, in relation to the supply of goods or services to any person, includes any payment made or any act or forbearance whether or not voluntary, in respect of, in response to, or for the inducement of, the supply of any goods or services, whether by that person or by any other person;

“consideration in money” includes consideration expressed as an amount of money;

CAP. 48. “entered” has the meaning given to that expression by section 2 of the Customs and Excise Duties Act;

“exempted goods or services” means any goods or services exempted from the application of this Act by an Order made under section 14;

CAP. 49. “goods” has the same meaning as assigned to it by section 2 of the Customs Regulation Act other than things in action and money;

CAP. 263. “licensed financial institution” means a bank or a financial institution licensed under the Banks and Financial Institutions Act;

“Minister” means the Minister responsible for Budget Management;

“money” includes -

(a) any banknote or other negotiable instrument used or circulated, or intended for use or circulation, as currency; and

(b) any postal note, money order, promissory note, or bill of exchange,

whether issued or given in Belize or any other country, but does not include a collector’s piece, investment article, or item of numismatic interest;

“person” means a natural person or a legal person and includes a firm, a branch and any body of persons, whether corporate or unincorporate;

“producer”, in relation to goods, means the person by whom the goods are produced other than the mere supplier of the goods;

“provider”, in relation to services, means the person by whom the services are provided;

“registered” means registered under Part III of this Act;

“registration number” means, in relation to a registered person, the identifying number borne by the tax registration certificate issued to that person;

“return” means a return required by section 17 of this Act;

“sale” includes:-

- (a) the transfer of possession of goods under a hire purchase agreement within the meaning of section 2 of the Hire Purchase Act;
- (b) the sale of goods pursuant to an agreement under which the whole or part of the purchase price is payable by installments; and
- (c) any contract similar to a sale in other respects, but made for a consideration wholly or partly in money’s worth or not, or not only, in money;

CAP. 292.

“sales tax agent” or “registered sales tax agent” or “registered person” means a person registered under Part III of this Act in either of the following categories:

- (a) goods sales tax agent - a person who is a producer of goods;

CAP. 59.

- (b) services sales tax agent - a person who is a provider of services;
- (c) goods and services sales tax agent - a person who is both a producer of goods and a provider of services;
- (d) exempt sales tax agent - an embassy or diplomatic mission, or a charitable or nonprofit organisation as approved by the Minister by Order published in the *Gazette*, and includes the Belize Electric Company Limited and its successors and permitted assigns as provided for in the Mollejon Hydroelectric Project (Exemption from Taxes and Duties) Act;

“services” means any services which are not exempt services under this Act or regulations made thereunder;

“supplier”, in relation to goods and services, means the person by whom the goods or services are supplied;

“tax” means the sales tax imposed under this Act;

“taxable proceeds” in relation to a sales tax agent, means the proceeds of such agent from the source mentioned in section 13.

PART II

Administration

Commissioner of
Sales Tax.

3. (1) There shall be a Commissioner of Sales Tax who shall be appointed by the Governor-General acting on the advice of the Prime

Minister given in accordance with section 107 of the Belize Constitution. CAP. 4.

(2) The Commissioner shall be responsible for the due administration of this Act and for the assessment, collection and recovery of tax.

(3) Any function conferred by this Act on the Commissioner may be exercised as may be necessary by any public officer or other person duly authorised by the Commissioner in that behalf, and references in this Act or in the regulations made thereunder, shall be construed accordingly.

4. (1) There shall be appointed by the Public Services Commission or other competent authority such other staff as may be necessary for the due administration of this Act, and the regulations made thereunder. Appointment of other staff.

(2) The officers appointed by the Public Services Commission for the purpose of the Value Added Tax Act, who were in position immediately before the commencement of this Act, shall be deemed to have been duly appointed under this Act and may exercise all the powers conferred under this Act. Act 16/1995. Continuity of Officer.

5. The Commissioner appointed under section 3 shall be a Head of Department and his office shall be known as the Department of Sales Tax which shall be under the overall control of the Minister. Department of Sales Tax.

PART III

Registration of Sales Tax Agents

6. Every person who is a producer of goods (whether for the domestic or export market) or a provider of services, or both a producer of goods and provider of services shall register as a sales tax agent: Registration.

Provided that persons:

- (a) whose total taxable proceeds do not exceed \$4,500.00 in any one month or \$54,000.00 in any year; or
- (b) who provide exempt goods or services;

shall not be eligible to register under this Act.

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| Form of applica-
tion. | 7. Every application for registration under this Act shall be made in such form and shall contain such information as may be approved by the Commissioner or prescribed by regulations. |
| Time for registra-
tion. | 8. Every person who is required to be registered under section 6 of this Act shall:- <ul style="list-style-type: none"> (i) if he is a producer of goods or a provider of services at the commencement of this Act, register with the Commissioner within one week of such commencement; (ii) if he becomes a producer of goods or a provider of services at any time after the commencement of this Act, register with the Commissioner within one month of his so becoming a producer or a provider. |
| Penalty for non-
registration and
arbitrary assess-
ment. | 9. (1) Every person who contravenes or fails to comply with the provisions of section 8 above shall be guilty of an offence and shall be liable on summary conviction to a fine which shall not be less than five thousand dollars nor more than ten thousand dollars, or to imprisonment for a term not exceeding two years. |

(2) Without prejudice to subsection (1) above, where it comes to the knowledge of the Commissioner that a person required to be registered under this Act has failed to do so, the Commissioner shall raise assessment for the tax due and payable under this Act against such person in his best judgement, and any such assessment may be enforced in like manner as if such person were a registered person.

10. Every person who is approved by the Minister as an exempt sales tax agent shall, within one month of such approval, register with the Commissioner as such agent.

Special registration for exempt sales tax agents.

11. (1) The Commissioner shall cause every person registered under this Act to be issued with a certificate of registration in such form and containing such particulars as may be approved by the Commissioner, or prescribed by regulations.

Certificate of registration and penalty for non-display.

(2) A sales tax agent shall cause his certificate of registration, or a certified copy of it issued by the Commissioner, to be displayed in public view at the place from which the sales tax agent carries on business, or in each such place where there is more than one.

(3) A person who contravenes subsection (2) above shall be guilty of an offence and shall be liable on summary conviction to a fine not exceeding one thousand dollars or to imprisonment for a term not exceeding twelve months.

12. (1) A registered sales tax agent who ceases at any time to possess the requirements necessary for registration under this Act may apply in writing to the Commissioner to have his registration cancelled.

Cancellation of registration.

(2) Where a registered sales tax agent is convicted of any offence under this Act, or any regulations made thereunder, the Commissioner may cancel the registration of such person without prejudice to any other penal-

ties imposed by the court for such offence.

PART IV

Imposition and Collection of Tax

Imposition and rates of tax.

13. (1) Subject to this Act, every person -

(a) who imports goods or services; or

(b) who purchases goods or services locally from a sales tax agent,

shall pay tax at the rates specified in subsection (2):

Provided that, subject to section 16, no tax shall be payable where a sales tax agent imports or purchases goods or services locally, whether from a sales tax agent or from a non sales tax agent.

(2) Subject to this Act, there shall be charged, levied and collected on the sales of every sales tax agent, other than an exempt sales tax agent, tax at the following rates:-

(a) on alcohol, tobacco and fuel..... 12%

(b) on all other goods and services except exempt goods and services listed in section 15 of this Act..... 8%

(3) In computing the taxable proceeds of a sales tax agent, no account shall be taken of tax recovered under subsection (1) of this section.

(4) For the purposes of this Act, a purchase or sale takes place when:

- (a) an invoice is given to the purchaser by the producer or provider; or
- (b) payment is made for the good or service; or
- (c) the goods are made available, or the services are rendered, as the case may be, to the recipient;

whichever is the earlier.

(5) In any other case, a sale or purchase takes place at such point in time as may be specified by regulations made under this Act.

14. (1) Tax charged on imported goods shall be of an amount calculated by multiplying the rate of tax applicable under this Act by the value of the goods. Tax on imports.

(2) The Comptroller of Customs shall be responsible for the collection of the tax on imports.

(3) Tax on entry of imported goods shall be charged and payable under this Act but, for the purposes of collecting and enforcing the payment of the tax, the Customs Regulation Act and any other written law relating to the importation of goods shall apply in the same manner as if it were a duty of customs. CAP. 49.

(4) Tax on the entry of imported goods becomes due and payable at the time when the goods are entered, and is the liability of the importer.

(5) For the purposes of this Act, the value of goods imported into Belize is the total amount of-

CAP. 48.

- (a) the value of the goods determined in accordance with the Third Schedule to the Customs and Excise Duties Act (whether or not duty is payable under that Act); and
- (b) duties, taxes (other than the tax charged under this Act) and any other charges that are charged, paid or payable upon the entry of imported goods,

except that where the goods are reimported after being exported for repair, renovation or improvement and it is further shown that the goods have been subjected to a process of repair, renovation or improvement abroad and where their form or character has not been changed, the value of the goods, for purposes of calculating the tax, if any, on the entry of the goods when they are reimported, is the amount of the increase in their value that is attributable to the process.

(6) Where a person pays tax on imports in excess of his liability under this Act, the Comptroller of customs shall refund the amount by which the payment exceeds such liability.

(7) For the purpose of importation of services, a provider of services shall be deemed to be a registered person under this Act, irrespective of the value of the services to be provided by him.

(8) Every importer of a service shall pay over to the Commissioner the tax due and payable on the value of the service received by him and shall forthwith render an account of the tax so payable to the Commissioner, and every such amount shall be a debt owing from him to the Government and shall be recoverable as such.

(9) Every person who contravenes subsection (8) above, shall be guilty of an offence and shall be liable on conviction to a fine which shall not be less than five thousand dollars but may extend to ten thousand dollars, or to imprisonment for a term not exceeding two years.

15. (1) The goods and services listed below shall be exempt from the application of tax: Exemptions.

- (i) the supply of electricity;
- (ii) the supply of water (not in bottles or similar containers for sale) and sewerage services;
- (iii) the provision of financial services by institutions not licensed under the Banks and Financial Institutions Act which are closely related to financial intermediation, market intermediation, risk pooling, and credit purchase services, including services performed by credit unions, cooperative societies, building societies, mortgage finance institutions and moneylenders; CAP. 263.
- (iv) goods in transit through the national customs territory bound for either an Export Processing Zone, established under the Export Processing Zone Act, or a Commercial Free Zone, established under the Commercial Free Zone Act, or a destination outside Belize; CAP. 280.
CAP. 278.
- (v) goods exported from Belize as verified by the Comptroller of Customs from the customs export entry form;
- (vi) accommodation charges that are subject to the accommodation tax levied under the Hotels and Tourist Accommodation Act; and CAP. 285.

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- (vii) goods or services which are made available from funds provided under grant agreements with external donor agencies, or funds borrowed from external financial institutions by the Government of Belize, or under a Government Guarantee, to assist the economic development of Belize; and
- (viii) basic foodstuff, namely, rice, flour, bread, corn, fresh meat, eggs, beans, sugar, tortilla and condensed milk; and
- (ix) any of the following medicines and medical supplies for human use, namely-
- (a) analgesics in the form of liquids, tablets, capsules, or other solid dosage forms for oral or rectal use;
 - (b) cough and cold preparations in the form of liquids, tablets, capsules or other solid dosage forms for oral or nasal use;
 - (c) diagnostic -testing kits and devices for testing glucose in blood and urine;
 - (d) insulin and insulin syringes with needles and devices of a type not exceeding 100 units (1.0ML) capacity, for the administration of U-100 insulin;
 - (e) oral rehydration preparations in the form of salts or solutions of W.H.O./ Pharmacopoeia standards;
 - (f) dialysis fluids; and

- (x) any fees and charges collected from students for services provided by an Educational Institution within the meaning of the Education Act, where that school - CAP. 36.
- (a) in the case of a private school, is registered under that Act; and
- (b) in any other case, is approved for the purposes of this item by the Minister to whom responsibility for education is assigned;
- (xi) (a) text books, school work books and other educational texts in question-and- answer format with spaces for insertion of answers, children's picture and painting books, exercise books;
- (b) equipment and furniture for the use of recognized educational institutions as certified by the Ministry of Education;
- (c) labour services approved by the Minister which are provided to educational bodies recognized by the Ministry of Education in connection with the construction of buildings for educational use:

Provided that in the case of a private school, it is registered under the Education Act, and in any other case the items to be purchased are approved for the purpose of this paragraph by the Minister responsible for Education; CAP. 36.

(xii) transport of passengers-

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- (a) in any vehicle, ship or aircraft designed or adapted to carry not less than 12 passengers; or
 - (b) on any scheduled flight, vehicle or vessel;
 - (xiii) freight services, that is, the commercial transportation of goods provided that the provision of this service does not form a part of the provision of any other service; and
 - (xiv) services rendered to persons not resident in Belize, provided that:
 - (a) the services does not relate in any manner to any land or building situate in Belize;
 - (b) the services are not utilized in Belize and the benefit of the supply is not derived by any person or entity within Belize; and
 - (c) the services are paid for in a currency other than the currency of Belize.

(2) Where a non-sales tax agent sells to a sales tax agent free of tax goods covered by an exemption certificate, the non-sales tax agent shall be entitled to import goods of the same quantity and description free of tax.

(3) The Minister may by Order exempt from the application of tax such other classes of goods and services as may be specified in the Order, subject to such conditions as may be so specified.

(4) An Order made under subsection (3) of this section shall be subject to negative resolution.

16. (1) Sales tax agents shall be exempt from the payment of tax on purchase of goods and acquisition of services from any sales tax agent by providing to the latter a completed and signed tax exemption certificate in respect of such goods or services:

Relief on certain imports and purchases.

Provided that in the case of a sales tax agent the said exemption shall apply only to such goods as may be approved by the Commissioner beforehand as being essential to the production of the final product.

(2) A sales tax agent shall be exempt from the payment of tax on the importation of such goods as may be approved by the Commissioner beforehand as being essential for the production of the final product, upon furnishing to the Comptroller of Customs a signed tax exemption certificate in respect of such goods.

(3) The tax exemption certificate referred to in this section shall be in such form as may be approved by the Commissioner or prescribed by regulations.

17. Any person who falsifies a tax exemption certificate referred to in section 16 of this Act shall be guilty of an offence and shall, without prejudice to any higher penalties prescribed under any other law, be liable on summary conviction to a fine which shall not be less than five thousand dollars nor more than ten thousand dollars, or to imprisonment for a term not exceeding two years:

Penalty for falsification of tax exemption certificate.

Provided that, where an exempt sales tax agent is guilty of such an offence on more than two occasions such agent shall, in addition to the penalties prescribed above, lose the status and privileges of an exempt sales tax agent.

- Tax period. 18. A sales tax agent shall, in respect of the purchases of goods and services and the supply of goods and the provision of services, account for and pay tax on a monthly basis.
- Returns and penalties for non-filing and late filing. 19. (1) Every sales tax agent other than exempt sales tax agents shall, in respect of the month of April, 1999 and each subsequent month thereafter, deliver to the Commissioner a return, in such form as the Commissioner may approve or as may be prescribed by regulations, rendering an account for the tax, and shall, at the same time, pay over to the Commissioner the amount of tax collectible during the month for which the return is submitted.
- (2) Every exempt sales tax agent shall, in respect of the month of April, 1999 and each subsequent month thereafter, deliver to the Commissioner a return, in such form as the Commissioner may approve or as may be prescribed by regulations, rendering an account for the tax exemption certificates issued during the month for which the return is submitted.
- (3) A return shall be furnished to the Commissioner at the address specified on the form:-
- (a) within fourteen days after the end of the tax period to which it relates; or
 - (b) where the person ceases to be a sales tax agent during a tax period, within fourteen days after the person ceases to be a sales tax agent,
- or within such further time as the Commissioner may, in writing, allow and is not so furnished until it is received at that address.

(4) A person who fails to file a return as required by this section commits an offence and shall be liable on summary conviction to a fine which shall not be less than five thousand dollars nor more than ten thousand dollars, or to imprisonment for a term not exceeding two years.

(5) Where any amount that a person is required to pay to the Commissioner is not paid within the prescribed period, the amount outstanding shall bear a penalty of five percent per day, provided that the Commissioner may, where he is satisfied that the circumstances of the case justify the reduction or waiver of a penalty arising under this subsection, recommend to the Financial Secretary the appropriate reduction or waiver of the penalty, as the case may be.

(6) The provisions of this Act relating to the collection and recovery of tax shall apply to the collection and recovery of the penalty referred to in subsection (5) of this section.

20. (1) Where a return has been delivered to the Commissioner under this Act, the Commissioner may:-

Commissioner to make assessments.

(a) accept the return; or

(b) refuse to accept the return and determine to the best of his judgment the amount of tax payable and assess accordingly.

(2) Where a return has not been delivered, the Commissioner shall use his best judgment to determine the proper amount of tax due and make an assessment accordingly.

(3) The tax assessed under this section is payable to the Commissioner by the person assessed as a debt due and payable without further demand notwithstanding any review or appeal made under Part V of this Act and such tax or part thereof shall be refunded if the review or appeal is

determined in favour of the person assessed.

Additional
assessments.

21. Where it appears to the Commissioner that any person liable to tax has not been assessed or has been assessed at a less amount than that which ought to have been charged, the Commissioner may, within the month of assessment or within two years thereafter, assess such a person at such amount or additional amount, as according to his judgment ought to have been charged, and the provisions of this Act as to notice of assessment, appeal and other proceedings under this Act shall apply to such assessment or additional assessment and to the tax charged thereunder.

Recovery of tax.
CAP. 55.

22. The provisions relating to the recovery of income and business tax under the Income and Business Tax Act shall apply *mutatis mutandis* to the recovery of tax under this Act.

Unauthorised
collection of tax
and penalty.

23. Every person, other than a sales tax agent, who recovers or seeks to recover from any other person an amount represented to be in respect of tax commits an offence and is liable on summary conviction to a fine which shall not be less than five thousand dollars nor more than ten thousand dollars, or to imprisonment for a term not exceeding two years.

PART V

Review of Assessment and Appeal

Review of
assessment by the
Commissioner.

24. (1) Where any person disputes an assessment as made under section 20 of this Act, he may apply to the Commissioner by notice in writing within fifteen days of the notice of assessment to review the assessment, and every such notice shall state the grounds on which the assessment is disputed.

(2) On receipt of a notice of review under subsection (1), the Commissioner may require the person concerned to furnish such particulars as he may deem necessary with respect to the tax of the person assessed and to produce all books or other documents in his custody or control relating to such tax and may summon any person whom he thinks is able to give evidence respecting the assessment to attend before him and may examine such person on oath or otherwise.

(3) The Commissioner shall consider the notice of review and review the assessment, where necessary.

(4) Either party to an application for review may be represented by Counsel or by an accountant.

(5) The onus of proving that the assessment made by the Commissioner is excessive shall be on the applicant.

(6) The proceedings relating to a review under this section shall be held *in camera*.

25. (1) There shall be appointed by the Minister a Sales Tax Appeal Board (hereinafter called the "Board") to hear and determine, pursuant to this Act, objections against assessments made in accordance with this Act.

Appointment and functions of the Sales Tax Appeal Board.

(2) The Board shall consist of three persons one of whom shall be a person who holds or has held office in the Public Service with experience in accountancy, law or other related disciplines.

(3) The Board so appointed may act by any two of its number, and by that number shall form a quorum.

(4) It shall not be necessary or compulsory, unless otherwise considered expedient, to make a temporary appointment to the Board during the absence on leave of any one member of the Board.

(5) Wherever by this Act or any other Act or statutory instrument relating to tax a discretion is conferred on the Commissioner, that discretion may be exercised on an objection made against an assessment by the Appeal Board, and, on an appeal under section 27, by the Supreme Court.

Appeals to the
Sales Tax Appeal
Board.

26. (1) Any person assessed, who is aggrieved by the decision of the Commissioner on review under the provisions of section 24 may appeal in writing, setting out the grounds of his appeal, to the Board appointed under section 25 of this Act.

(2) All appeals to the Board under this section shall be heard, as far as practicable, within a period not exceeding ninety days of the notice of appeal.

(3) On an appeal against an assessment made to the Board, the onus of proving that the assessment complained of is excessive shall be on the appellant.

(4) On receipt of a notice of appeal, a meeting of the Board shall be summoned to hear the appeal of the person assessed, and the Board may:-

- (a) require the person assessed and the Commissioner to furnish such particulars as the Board may think necessary in order to ascertain the tax liability;
- (b) require the person assessed and the Commissioner to produce all books or other documents in their custody or under their control relating to such tax liability;

- (c) summon any person whom the Board thinks is able to give evidence respecting the assessment to attend before the Board;
- (d) examine either on oath or otherwise the person assessed, the Commissioner and any other person attending before them (except the clerk, agent or other person confidentially employed in the affairs of the person assessed) by whom evidence is to be given.

(5) When the Board has heard the appeal and determined the amount of tax payable, any necessary amendment shall be made in the amount assessed by the Commissioner, reducing it by the amount overcharged or increasing it by the amount undercharged and notice of the amount of tax, if any, payable shall be served upon the person assessed and that amount of tax shall, subject to section 27 (1), be the tax payable or refundable. The Board shall have the power to add interest to any amount determined by it to be payable or refundable.

(6) Subject to subsection (7), the notice of appeal to be sent under subsection (1) shall be sent within twenty-one days from the date of service of the notification of the amount of the assessment sent by the Commissioner.

(7) Where owing to absence from the country, sickness or other reasonable cause, the Board is satisfied on an application to that effect made by a person wishing to appeal against an assessment that such person was unable within the time mentioned in subsection (1) of section 24 to make his application to the Commissioner for a review or revision of the assessment, or that having made such an application he was unable within the time mentioned in subsection (6) of this section to serve a notice of appeal on

the Board, the Board, by notice in writing to such person and to the Commissioner, may grant such extension of time as the Board considers reasonable in the circumstances.

Appeals to the
Supreme Court.

27.-(1) Where either the Commissioner or the person whose objection has been determined by the Board is dissatisfied with the decision of the Board on the ground that the decision was erroneous on a point of law, he may appeal to the Supreme Court (hereinafter referred to as “the Court”) to hear and determine any question of law arising on the appeal and the decision of the Board, upon giving notice in writing to the other party to the proceedings before the Board within thirty days from the date of the decision of the Board.

(2) Notwithstanding the lapse of such period of thirty days, any person may appeal against the said assessment if he shows to the satisfaction of the Court that, owing to absence from the country, sickness or other reasonable cause, he was prevented from giving notice of appeal within such period and that there has been no unreasonable delay on his part.

(3) Any person who appeals against an assessment shall attend before the Court in person or through an attorney-at-law on the day and at the time fixed for the hearing of his appeal.

(4) If it be proved to the satisfaction of the Court that, owing to the absence from Belize, sickness, or other reasonable cause, any person is prevented from attending in person at the hearing of his appeal on the day and at the time fixed for that purpose, the Court may postpone the hearing of the appeal for such reasonable time as it thinks necessary for the attendance of the appellant, or it may admit the appeal to be made by any agent, clerk, or servant of the appellant, on his behalf.

(5) Ten clear days' notice shall, unless rules made hereunder otherwise provide, be given to the appellant and the respondent of the date fixed for the hearing of the appeal.

(6) The onus of proving that the assessment or any part thereof is excessive shall be on the appellant.

(7) Where the Court is satisfied that the appellant is overcharged, it may reduce the amount of the assessment by the amount of the overcharge, and if satisfied that the appellant is undercharged, it may increase the amount of the assessment by the amount of the undercharge.

(8) Notice of the amount of tax payable under the assessment as determined by the Court shall be served by the Commissioner upon the appellant.

(9) All appeals under this section shall be heard by a judge of the Supreme Court sitting in Chambers.

(10) The cost of the appeal shall be in the discretion of the judge hearing the appeal, and shall be a sum fixed by the judge.

(11) The Chief Justice may make rules governing such appeals and providing for the method of tendering evidence.

28. An application for review by the Commissioner under Section 24, or for an appeal to the Board or the Supreme Court under Sections 26 and 27 shall not be entertained or heard unless and until the appellant has paid to the Commissioner the full amount of tax which is the subject of the appeal or review.

Security for
appeals.

PART VI

Accounts

Tax invoice.

29. (1) A sales tax agent supplying goods or providing services on or after the appointed day shall, at the time when the supply or provision takes place, give the recipient a tax invoice in respect of the supply or provision in accordance with subsection (2) or as may otherwise be specified by regulations made under this Act.

(2) A tax invoice under this subsection shall include:-

- (a) the words “tax invoice” shown conspicuously thereon;
- (b) an identifying serial number and the date on which the tax invoice was given;
- (c) the name, address, and registration number of the sales tax agent;
- (d) the name and address of the recipient;
- (e) a description of the goods or services supplied, including the quantity of goods or the number of services supplied;
- (f) the consideration for the supply or provision, not including tax;
- (g) the value of the supply or provision;
- (h) the rate of tax applicable to the supply or provision

and the amount claimed from the recipient in respect of tax;

- (i) where the recipient is a goods sales tax agent or an exempt sales tax agent, the tax exemption number of the agent; and
- (j) such other particulars, if any, as are required by regulations.

(3) A person who contravenes subsection (1) commits an offence and is liable on summary conviction to a fine which shall not be less than five thousand dollars nor more than ten thousand dollars, or to imprisonment for a term not exceeding two years.

30. (1) Every sales tax agent shall keep, at his principal place of business in Belize, or at such other place as the Commissioner may approve, or as required by regulation, such books and records, expressed in the English language and the currency of Belize, as are appropriate to enable the Commissioner to ascertain the liability of that person to tax, or the details of tax exemptions, or both, as the case may be.

Books and records to be kept.

(2) The regulations under subsection (1) may make provisions as to what books and records are required to be kept, and the manner in which they are to be kept.

(3) Without limiting subsection (2), the records required by subsection (1) to be kept shall include tax invoices received by him and copies of tax invoices issued by him, custom entries and export documents.

(4) A person required by subsection (1) to keep books and records shall, whether or not he continues to be registered, retain in Belize those books and records for not less than six years after the end of the last tax

period to which they relate, except that this subsection does not require the retention of books or records:

- (a) where the Commissioner has given notice in writing that such retention is not required; or
- (b) where the person has ceased to exist and the affairs of the person have been wound up.

(5) A person who contravenes this section commits an offence and is liable on summary conviction to a fine which shall not be less than five thousand dollars nor more than ten thousand dollars, or to imprisonment for a term not exceeding two years.

Credit and Debit notes.

31. (1) This section applies where a sales tax agent has given a tax invoice in respect of a supply or provision and thereafter:-

- (a) the supply or provision is cancelled;
- (b) the consideration for the supply or provision is altered, whether due to a discount or otherwise; or
- (c) the goods or any part of the goods supplied are returned to the supplier.

(2) Where this section applies, the sales tax agent shall give to the recipient a credit note or a debit note, as the case requires, to adjust the amount shown on the tax invoices as being in respect of tax to the amount, if any, that would have been so shown if:-

- (a) the cancellation or alteration referred to in subsection (1) (a) or (b) had taken place before the tax invoice

was given; or

(b) the goods or services returned had not been supplied,

as the case requires.

(3) A credit note or debit note required by subsection (2) to be given shall include:-

(a) the words “credit note” or “debit note”, as the case requires, shown conspicuously thereon;

(b) the name, address and registration number of the sales tax agent;

(c) the name and address of the recipient;

(d) the date on which the credit note or debit note, as the case requires, is given;

(e) the identifying number of the tax invoice to which it relates and the date on which it was given;

(f) the amount shown on the tax invoice as being in respect of tax, the adjusted amount, and the amount of the credit or debit, as the case requires, that is necessary to make the adjustment; and

(g) a brief explanation of the circumstances giving rise to the note being given.

(4) A sales tax agent who gives a credit or debit note under this section shall, in calculating the amount of tax payable, in respect of the tax

period in which the note is given, add the amount of any adjustment in a debit note to, and deduct the amount in adjustment in a credit note to, the tax charged on goods and services supplied or provided by him during the tax period.

(5) A sales tax agent shall not give more than one credit or debit note in respect of the same adjustment but this subsection does not prevent him from providing a copy, clearly marked to indicate that it is a copy, where the original of a note has been lost.

(6) A person who contravenes this section commits an offence and is liable on summary conviction to a fine which shall not be less than five thousand dollars nor more than ten thousand dollars, or to imprisonment for a term not exceeding two years.

PART VII

Miscellaneous and Transitional Provisions and Regulations

Bad Debts.

32. (1) Where

- (a) the amount specified by a sales tax agent in a return as being the amount of tax payable has been calculated taking into account a supply made by that agent for a consideration in money; and
- (b) all or any of the consideration remains unpaid, despite its having become due and payable and reasonable efforts having been made for its recovery, and has been written off as a bad debt, the sales tax agent who furnished the return may, in calculating the

amount of tax payable that is to be specified in the return for the period in which the amount was written off or, where a period of twelve months has not then elapsed since the amount became due and payable, the first return after that period of twelve months elapses, deduct the amount of tax included in the previous return that was attributable to the amount written off.

(2) Where an amount in respect of which a deduction has been made under subsection (1) is wholly or partly recovered by a sales tax agent, that agent shall include as tax payable in his return for the period during which the amount is recovered the amount previously deducted or, where only part of the amount written off is recovered, such proportion of the amount previously deducted as the amount recovered represents as a proportion of the amount written off.

33. (1) For the purposes of this section the expression “alteration in the law” means the coming into force of this Act or any amendment to this Act, by which -

Effect of changes
in tax on existing
contracts.

- (a) a supply of goods or services is charged with, or ceases to be charged with, tax; or
- (b) the rate of tax in respect of the supply of goods or services is increased or reduced.

(2) Where an alteration in the law is made and a sales tax agent has, at any time, entered into a contract with a non-sales tax agent in respect of the supply of goods or services, then, unless -

- (a) express provision for the exclusion of any such alteration in the law is contained in the contract; or

- (b) the alteration in the law has been taken into account in entering into the contract,

every such contract shall be deemed to be modified so that-

- (c) where the alteration in the law renders the supply liable to be charged with tax, or an increased amount of tax, the sales tax agent may add to the amount agreed to be paid to him by the recipient the amount of that tax, or increase in tax, as the case may be;
- (d) where the alteration in the law renders the supply no longer liable to be charged with tax, or liable to be charged with a reduced amount of tax, the sales tax agent or the non-sales tax agent may deduct from the amount agreed to be paid under the contract the amount of that tax, or reduction in tax, as the case may be.

Invoices given and payments made on or before appointed day.

34. (1) Where on or before the appointed day, an invoice is given or payment is made for the supply of goods or services, which are made available or rendered before the appointed day, no tax shall be payable on such supply and only that portion of a supply as is made available or rendered after the appointed day shall be subject to tax.

(2) For the purposes of this section, the time of supply of those goods or services referred to in subsection (1), shall be the time when the goods are made available or the services rendered.

Evidence.

35. The production of any document under the hand of a member of the Board or the Commissioner or of any person or persons appointed by the Board or the Commissioner purporting to be a copy of or extract from any return or assessment shall in all courts and in all proceedings

be sufficient evidence of the original, and the production of the original shall not be necessary, and all courts shall in all proceedings take judicial notice of the signatures of a member of the Board or the Commissioner or of any person or persons appointed by the Board or the Commissioner, appended either to the original document or to such copy or extract thereof.

36. (1) The Commissioner or any officer of his department who has been authorised by him may, for any purpose related to the administration or enforcement of this Act, at any reasonable time having regard to the regular working hours and the related circumstances of the particular business, and on production of his letter of authorization, enter into any premises or place where a business is carried on or any property is kept or anything is done in connection with the business or any books or records are or should be kept pursuant to this Act and may-

Audit and
ancillary powers.

- (a) audit or examine the books and records and any account, voucher, letters, telegram or other document which relates or may relate to the information that is or should be in the books or records or to the amount of tax payable under this Act;
- (b) examine property described by an inventory or any property, process or matter, an examination of which may, in his opinion, assist in determining the accuracy of an inventory or in ascertaining the information that is or should be in the books or records or in determining the amount of tax payable under this Act;
- (c) require the owner or manager of the property or business and any other person on the premises or place to give him all reasonable assistance with his audit or examination either orally or, if he so require, in writing, on oath or otherwise and, for that purpose, require the

owner or manager to attend at the premises or place with him; and

- (d) if during the course of such an audit or examination it appears to him that there has been a violation of this Act or a rule made thereunder, seize, take away and retain any of the records, books, accounts, vouchers, letters, telegrams and other documents that appear to be relevant.

(2) Any records, books, accounts, vouchers, letters, telegrams and other documents that are so seized or taken away shall be returned immediately if on appeal the Board is not satisfied that a violation of the Act appears to have been committed. (Notwithstanding that no question of assessment is involved).

(3) An appeal made to the Board against any action by a person authorised by the Commissioner to conduct an audit or examination under paragraph (d) of subsection (1) shall be lodged with the Chairman of the Board within seven days of the date of seizure. The decision of the Board on this matter shall be final.

(4) The Commissioner may, for any purpose related to the administration or enforcement of this Act, by not less than seven days notice in writing require any person to attend before him and give evidence on oath and to produce on oath all relevant books, letters, accounts, invoices, statements or other documents in his possession or control.

(5) The Commissioner may, for any purpose related to the administration or enforcement of this Act, authorize in writing any officer of his department when accompanied by a police officer to enter and search, by force, if necessary, any building, receptacle or place for documents, books, records or other things which may afford evidence of a violation of this

Act or of a rule made thereunder and to seize, take away and retain any such documents, books, records or other things.

(6) Where any book, record or other document has been seized, examined or produced under this section, the person by whom it was seized or examined or to whom it was produced may make, or cause to be made, one or more copies thereof and in any case in which the person to whom the original document was returned refuses or neglects to produce the original document in court, after having been required to do so by the Commissioner, a document purporting to be certified by the Commissioner to be a copy made pursuant to this subsection shall be admissible in evidence and shall be conclusive evidence of the contents of the original document.

(7) Any person who hinders, molests or in any way interferes with any person in the exercise of his authority under this section is guilty of an offence.

37. (1) The Commissioner may require any officer in the employment of the government or any municipality or other public body to supply such particulars as may be required for the purposes of this Act and which may be in the possession of such officer.

Official information and secrecy.

(2) No officer mentioned in subsection (1) shall by virtue of this section be obliged to disclose any particulars as to which he is under any statutory obligation to observe secrecy.

(3) Every sales tax agent or other person when required to do so by notice from the Commissioner shall within the time limited in the notice, prepare and deliver a return or returns containing such information as the Commissioner may think necessary for the purposes of this Act, and the provisions of this Act with respect to the failure to deliver returns or particulars in accordance with a notice from the Commissioner shall apply to any such return or returns.

(4) Where the sales tax agent or other person is a body of persons the manager or other principal officer shall be deemed to be the sales tax agent for the purposes of this section.

(5) Notwithstanding subsections (1) and (3) the Minister may make rules requiring any sales tax agent to prepare and deliver returns containing any information required under this Act at such times and in such form as may be prescribed.

Use of agents.

38. (1) Notwithstanding any rule of law or practice to the contrary, it shall be lawful for the Commissioner to authorise any person to act as agent for the purpose of detecting corruption or the evasion of tax or the commission of any other related offence, and the evidence of such a person shall be valid and effectual for all purposes and shall be receivable in all courts in Belize.

(2) An agent shall not be treated as an accomplice for the purpose of the law on corroboration.

(3) The fact that a crime has been induced by the activities of an agent shall not be treated as a mitigating factor on sentence by any court.

General penalty.

39. Any person who contravenes any provision of this Act for which no specific penalty is provided commits an offence and is liable on summary conviction to a fine which shall not be less than five thousand dollars nor more than ten thousand dollars, or to imprisonment for a term not exceeding two years.

Regulations.

40. (1) The Minister may make regulations prescribing all matters that are required or permitted by this Act to be prescribed, or are necessary or convenient to be prescribed, for giving effect to the purposes of this Act.

(2) Without prejudice to the generality of subsection (1) above, such regulations may provide for -

- (a) the collection of tax in respect of goods and services sales tax agents;
- (b) requiring sales tax agents to indicate in a conspicuous place that the price as shown on goods is inclusive of the tax;
- (c) exempting the tax on capital purchases made by sales tax agents in the course or furtherance of the production of final goods or the supply of the service;
- (d) prescribing the duties and functions of officers and other persons appointed or employed under this Act;
- (e) prescribing the form of returns to be made, the particulars to be set forth therein, the persons by whom and the time when or within which such returns are to be made, and the forms of the assessments, notices, and other documents referred to in this Act or necessary in order to give effect thereto;
- (f) providing, where there is no provision in this Act or no sufficient provision in respect of any matter or thing necessary to give effect to this Act, in what manner and form the deficiency shall be supplied;
- (g) providing for such matter as are contemplated by or necessary for giving full effect to the provisions of this Act and for the due administration thereof.

(3) All regulations made by the Minister under this section shall be subject to negative resolution of the House of Representatives.

This Act to prevail over the Fiscal Incentives Act.

41. The provisions of this Act shall apply notwithstanding anything to the contrary contained in the Fiscal Incentives Act.

Exemption from tax in certain instances of emergency. CAP. 145. 10 of 2000.

42. The Comptroller of Customs may, during a threatened disaster alert or a disaster emergency under the Disaster Preparedness and Response Act, exempt imported goods from the application of tax under section 13 and section 14 of this Act in any instance where the National Coordinator certifies that those goods are urgently required for dealing with the threat or emergency.

Commencement.

43. This Act shall come into force on the first day of April, 1999.