



BELIZE

**BELCOGEN COGENERATION PROJECT ACT
CHAPTER 59:01**

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CHAPTER 59:01

**BELCOGEN COGENERATION
PROJECT**

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CHAPTER 59:01

**BELCOGEN COGENERATION
PROJECT**

43 of 2005.

[3rd December, 2005]

Short title.

1. This Act may be cited as the Belcogen Cogeneration Project Act.

Interpretation.

2. In this Act, unless the context otherwise requires,

“Belcogen” means the Belize Cogeneration Energy, Limited, a company incorporated under the Companies Act, CAP.250, and its successors and permitted assigns;

“BSI” means the Belize Sugar Industries Limited, a company incorporated under the Companies Act, CAP.250, which shall be the principal investor and fuel supplier for the Project;

“Engineering Contractors” means any contractor engaged by Belcogen to engineer, procure and construct the power generating facilities comprising the Project;

“Minister” means the Minister responsible for Foreign Trade;

“Project” means the biomass co-generation energy project to be located adjacent to the BSI Tower Hill Sugar Factory situate in the Orange Walk District, including all infrastructure for, or connected with the operation of, the project;

“Project Entities” means collectively Belcogen, BSI and the Engineering Contractors.

Exemption from taxes.

3. Notwithstanding anything to the contrary in the Sales Tax Act, CAP.63, the Customs and Excise Duties Act, CAP.48, the Customs Regulation Act, CAP.49, the Stamp Duties Act, CAP.64, the Environmental Tax Act, CAP.64.01, and the Exchange Control Regulation Act, CAP.52,

and any Regulations made thereunder, or in any other law, Regulation, rule, order, ordinance or instrument having effect as part of the laws of Belize, the Project Entities shall be exempt from all taxes, duties or imposts levied or imposed thereunder on receipts, income and profits, for a period of fifteen years from the date of commencement of the Project.

4. Notwithstanding anything to the contrary in the Income and Business Tax Act, CAP. 55, the Project Entities shall be exempt from business tax as follows,

Extent and period of exemption from business tax.

- (a) total exemption for the Engineering Contractors, from 1st January, 2006 to 31st December, 2010;
- (b) total exemption for Belcogen and BSI, from 1st January, 2008 to 31st December, 2012;
- (c) partial exemption for Belcogen and BSI as follows,
 - (i) from 1st January, 2013 to 31st December, 2013, Belcogen and BSI shall be exempt from 66% of business tax;
 - (ii) from 1st January, 2014 to 31st December, 2014, Belcogen and BSI shall be exempt from 33% of business tax, after which both BSI and Belcogen shall be liable to pay all business tax as provided in the Income and Business Tax Act.CAP.55.

5. The exemptions from the taxes and duties granted by sections 3 and 4 of this Act shall apply only to such activities of the Project Entities as relate directly to the project.

Application of exemptions.