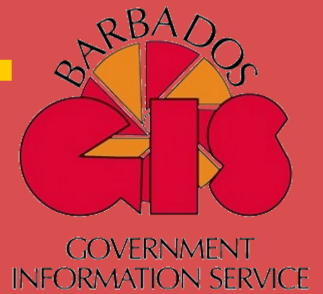


MINI BUDGET PULL OUT



1

NSRL TO BE REPEALED

Effective July 1, 2018 the National Social Responsibility Levy (NSRL) will be repealed. The Fair Trading Commission will be asked to monitor developments to ensure that retailers reduce their prices appropriately.

2

ROAD TAX TO BE ABOLISHED

Effective July 1, 2018 the road tax will be abolished and replaced with a Fuel Tax. The Fuel Tax will be levied at a rate of 40 cents per litre on petrol and diesel and 5 cents per litre on kerosene.

3

NEW HIGHER RATE BAND OF TAX

Effective July 1, 2018 in an effort to improve the progressive nature of our tax system to share the burden fairly, we will introduce a new higher rate band of 40% on that part of income greater than \$75,000.

4

INTRODUCTION OF HEALTH SERVICE CONTRIBUTION

Effective October 1, 2018 Government will introduce a Health Service Contribution at a rate of 2.5% with 1.5% of incomes being paid by employers and 1.0% by employees.

MINI BUDGET PULL OUT



5

WAIVE OF INTEREST & PENALTIES

Government is prepared to waive all interest and penalties payable on Income Tax, Land Tax, Corporation Tax and Value Added Tax owed to the Barbados Revenue Authority for the tax years 2000 to 2016 on condition that:

Applicants have made arrangements with the Barbados Revenue Authority (BRA) between July 1, 2018 to December 31, 2018 to facilitate an agreed payment plan which will include a compliance clause; and

Failure to meet the conditions set out in the payment plan will result in all interest and penalties becoming payable to the Crown immediately.

6

CORPORATION TAX

Effective July 1, 2018 the highest percentage of corporation tax will increase from 25% to 30%.

7

VAT ON ONLINE TRANSACTIONS

On-line transactions undertaken by Barbadian residents will be subject to Value Added Tax effective October 1st, 2018.

MINI BUDGET PULL OUT



8

NEW TAX FOR AIRLINE PASSENGERS

Effective October 1, 2018 an Airline Travel and Tourism Development tax paid by passengers flying outside of CARICOM of USD\$70. Passengers flying within CARICOM will pay US \$35.

9

CHANGES IN TOURISM

Effective July 1, 2018 Government will introduce a Room Levy on hotel rooms. The rates will now be US\$2.50 for the B-Class and apartments, US\$5.50 for the A-Class and US\$10.00 for the luxury hotels per room per night;

Effective July 1, 2018 there will be a 2.5% Product Development Levy on Direct Tourism Services;

Effective August 1, 2018 there will be a 10% tax on all shared economy such as Airbnb, HomeAway, Expedia etc.

MINI BUDGET PULL OUT



10

PUBLIC SERVANTS TO GET INCREASE

Government has reached an agreement with the Unions to allow for a zero percent increase in wages and salaries for the period April 1, 2014 to March 31, 2018 and a five percent, across the board, increase in wages and salaries for the period April 1, 2018 to March 31, 2019.

11

NON-CONTRIBUTORY PENSIONS INCREASING

Government will from July 1, 2018 raise the minimum non-contributory pension from \$155 to \$225 per week.

12

NO UNDERGRADUATE TUITION

The undergraduate tuition fees for those persons attending the University of the West Indies will be abolished.

MINI BUDGET PULL OUT



13

TRUST LOAN PROGRAMME FOR ENTREPRENEURS

A Trust Loan Programme will be introduced within 3 months to offer up to \$5,000 loans, without collateral, to entrepreneurs who present a viable, basic expenditure plan. The interest rate will be the same as earned on Barbados government securities.

14

NEW STAFF NEXT SCHOOL YEAR

Safety Officers, additional Social Workers and Guidance Counselors will be hired for the next school year at 7 secondary schools.

15

EXTENDED OPENING HOURS AT 2 POLYCLINICS

The opening hours will be extended to 24 hours for two (2) Polyclinics: Randal Phillips; and Sir Winston Scott.

MINI BUDGET PULL OUT



16

THREE TEMPORARY JUDGES

Three temporary Judges will be assigned to the Supreme Court in order to eliminate the backlog of cases at a cost of \$700,000.

17

SUPREME COURT FIX

Government will spend \$2.5M to fix the Supreme Court.

18

GOVERNMENT ENTERING PUBLIC-PRIVATE PARTNERSHIP

Government will remove the costs of the Barbados Tourism Marketing Inc. and Barbados Tourism Product Authority from its budget by entering into a Public-Private Partnership. The BTMI will be funded through the proceeds from the Airline Travel and Tourism Development tax which the Government will collect and handover to the BTMI/BTPA. The BTMI will now be led and managed by the private sector.

MINI BUDGET PULL OUT



19

SSA TO BE REMOVED FROM GOVERNMENT'S BUDGET

From August 1, 2018 Government will also remove the expenditure of the Sanitation Service Authority (SSA) from the budget by funding it through a new Garbage and Sewage Contribution (GSC) to be levied through the Barbados Water Authority bills. The GSC for households will be \$1.50 per household per day. Commercial premises will pay a Garbage and Sewage Contribution that will be set at 50% of their existing water bills, with 25% going to SSA and 25% remaining at BWA.

20

NEW GARBAGE TRUCKS

Government will allocate \$15M to purchase garbage trucks and tractors for the Sanitation Service Authority.

21

FIX SEWAGE ISSUES

Government will allocated a budget of \$27M to fix the South Coast and Bridgetown sewage issues.

MINI BUDGET PULL OUT

22

NEW BUSES

Government will allocate \$20M to purchase new buses for the Transport Board and \$5M for repairs.

23

SUGAR FARMERS TO RECEIVE MONEY

Sugar Farmers will be provided with a partial settlement of approximately \$5M in the 2018-19 financial year .

24

EQUIPMENT PURCHASE

Government will allocate \$10M to purchase equipment for the Ministry of Transport, Works & Maintenance.

25

NEW MAINTENANCE PROGRAMME

Government will introduce an essential road repair and debushing programme costing \$25M.

MINI BUDGET PULL OUT



26

ELIMINATE PIT TOILETS

Government will commence a programme to eliminate pit toilets at a cost of \$10M.

27

CLIMATE RESILIENT BARBADOS

Government will aim to make Barbados more climate resilient ahead of the most dangerous months of the hurricane season. Government will establish a rapid roof replacement programme, costing \$5M.

28

A&E TO BE EXPANDED

The Accident & Emergency Department of the Queen Elizabeth Hospital will be expanded at a cost of approximately \$10M.

29

WIFI IN BRIDGETOWN

Government will invest \$2M in a Smart Bridgetown.

MINI BUDGET PULL OUT



30

REVENUE COLLECTION TO BE STRENGTHENED

The sum of \$2M will be provided to strengthen revenue collection at the Customs Department and the Compliance Unit and revenue collection at the Barbados Revenue Authority.

31

NHC ELECTRICAL UPGRADE

Government will allocate \$2M for the electrical upgrade of National Housing Corporation (NHC) housing units.

