

INVESTMENT INCENTIVES SUMMARY

JAMAICA

Name of Incentive	Sector to which it is applicable	Summary of incentive benefits
1. Jamaica Export Free Zone Act	Free Zone/ Cross Sector	<ul style="list-style-type: none"> • Before a manufacturer can take advantage of the concessions made available by this Act, their company must be incorporated or registered under the Companies Act. • A company can operate within the designated Free Zone area or outside as a single entity in the customs territory. • In order for firms outside the Free Zone complex to benefit under the single entity free-zone status, the company must: <ul style="list-style-type: none"> - Be registered according to the provisions of the Companies Act - Export at least 85% of its production <p>The 'free-zone' status enables manufacturers and service providers (in the case of informatics free zones) to benefit from the exemption from income tax on profits in perpetuity, as well as import duties and licensing. Furthermore, there exists a special provision under this Act, which permits the repatriation of foreign exchange by overseas investors to its parent company without any form of recourse on the part of the Government.</p>
2. Hotels (Incentives) Act	Tourism	<ul style="list-style-type: none"> • The Hotels (Incentives) Act provides income tax relief and import duty concessions for up to ten years for approved hotel enterprises, and 15 years for convention-type hotels having an aggregate number of not less than 350 bedrooms and facilities for the holding of conferences. • Approved hotel enterprises must have ten or more bedrooms with facilities for meals and accommodation for transient guests, including tourists
3. Resort Cottages (Incentives) Act	Tourism	<ul style="list-style-type: none"> • The Resort Cottages (Incentives) Act provides recognized resort cottages with income tax relief

		<p>for up to seven years and import duty concessions on imported building materials and furnishings.</p> <ul style="list-style-type: none"> • A recognized resort cottage must have at least two furnished bedrooms, a furnished living room, bathroom facilities and facilities for the preparation and consumption of meals, and must be used or be intended to be used for the accommodation of transient guests, including tourists for reward. • Income tax relief and the import duty concessions apply only to resort cottages having an aggregate number of not less than ten bedrooms, situated in the same area and owned by the same person. • The Act offers income tax relief and duty concessions for up to 15 years for convention-type hotels, that is, hotels with at least 350 bedrooms, and ten years for regular hotels. For a hotel to benefit under this Act, it must contain not less than ten bedrooms and facilities for meals and the accommodation of transient guests, including tourists
4. Attractions Incentive Regulation	Tourism	<ul style="list-style-type: none"> • The Government of Jamaica has instituted an attractions incentive to stimulate growth in the attractions industry. • Benefits under the regulation include the importation of specific items free of general consumption tax and customs duty for five years and a five-year exemption from corporate taxes for investors.
5. Motion Picture Industry Encouragement Act.	Film	<ul style="list-style-type: none"> • Under this Act, a recognised film producer is entitled to relief from income tax for a period not exceeding nine years, after the first release of the motion picture. • The investor would also benefit from an investment allowance of 70% of the total expenditure on the production facilities, and this may be carried forward. • The investor would also be exempt from the payment of import duty on equipment, machinery and materials for the building of studios or for use in motion picture production.
7. Urban Renewal Act	Urban Development/Cross-Sector	<ul style="list-style-type: none"> • Targeted at persons or organizations that facilitate or carry out urban development. <p>Relief from income tax, stamp duty, and transfer tax is given to those persons who engage in transactions</p>

		geared towards urban development, i.e. the metropolitan centers of Kingston and Montego Bay.
8. Factory Construction Law	Cross-Sector	<ul style="list-style-type: none"> • Targets companies which construct factories and lease or sell them to producers. It grants relief from: <ul style="list-style-type: none"> - Import duties for items which are not available locally, and - Income tax on factory leasing or sales
9. Shipping Act	Shipping/Logistics	<ul style="list-style-type: none"> • Under this Act, once a company is recognized as an 'approved Shipping Corporation' it may receive tax relief and concessions on import duties for up to ten (10) years