



**NEWS RELEASE
MINISTRY OF FINANCE**

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PUBLIC NOTICE

POST HURRICANE BERYL INCENTIVES PACKAGE – PHASE II

The Government of Grenada announces Phase II of the Post-Hurricane Beryl Incentives Package to support the reconstruction of physical infrastructure and business re-activation in the aftermath of Hurricane Beryl. These incentives will target individuals, households and businesses directly affected by the Hurricane.

SUPPORT FOR RECONSTRUCTION OF PHYSICAL INFRASTRUCTURE

Building Materials

- ❖ **For local purchases**, 100% waiver of Value- Added Tax (VAT) is granted on all building materials (including cement, lumber, steel, windows, doors, galvanize sheets etc.) for the reconstruction of homes and business places directly affected by Hurricane Beryl.
- ❖ **For imported supplies**, 100% waiver of Common External Tarriff (CET), VAT and Customs Service Charge (CSC) is granted on all building materials (including cement, lumber, steel, windows, doors, galvanize sheets etc.) for the reconstruction of homes and business places directly affected by Hurricane Beryl. **Note that the importer is the beneficiary whose home or business is due to be repaired or reconstructed. This does not apply to large scale imports for resale.**

Household Furnishing, Appliances and Equipment

- ❖ **For local purchases**, 100% waiver of VAT is granted on household furnishings (fixtures, fittings, countertops, cabinets, furniture etc.), large household appliances (refrigerator, freezer, stove, washer, television, etc.), air conditioning units, generators and replacement vehicle parts for homes and business places directly affected by Hurricane Beryl. **The waiver on large household appliances is limited to one of each item per household.**

- ❖ **For imports**, 100% waiver of CET, VAT, Environmental Levy (EVL) and CSC is granted on Household furnishings (Countertops, Cabinets, furniture etc.), large household appliances (refrigerator, freezer, stove, washer, television, etc.), air conditioning units, generators and replacement vehicle parts imported for homes and business places directly affected by Hurricane Beryl. The waiver on large household appliances is limited to one of each item per household. **Note that the importer is the individual or business which will use the items. This does not apply to imports for resale.**

SUPPORT FOR BUSINESS RE-ACTIVATION

Commercial Machinery and Equipment

- ❖ Implementation of 100% waiver of CET, VAT, CSC, Excise Tax, and EVL where applicable to businesses on machinery and equipment imported to replace that which was damaged or destroyed as a result of Hurricane Beryl. Where local purchases are made, the VAT will be waived.

ESTABLISHMENT OF THE BERYL ECONOMIC SUPPORT SECRETARIAT (BESS)

A Beryl Economic Support Secretariat (BESS) will be set up on Carriacou , to inter alia, receive applications from individuals and businesses to access the aforementioned incentive program. On mainland Grenada, applications should be made to the responsible agency as listed below:

- i. Ministry with responsibility for Housing (for homes)
- ii. Ministry of Finance for businesses in non-priority sectors
- iii. Office of Creative Affairs – Creative Economy
- iv. The Grenada Investment Development Corporation (for businesses in priority sectors - Tourism, Agribusiness, ICT, Health and Wellness, Renewable Energy)

Application Process

- a) Individuals and businesses must submit an application to the BESS on Carriacou or the responsible agency on mainland Grenada along with relevant documentation. Application forms can be collected at the Ministry of Carriacou and Petite Martinique Affairs, temporary located at the Resource Center in Hillsborough, Carriacou, or at the Ministry of Finance Concession Desk, Financial Complex, the Carenage, St. George's. An online form will also be placed on the Ministry of Finance Website at finance.gd.

- i. For concessions on building materials and household furnishings, documents must include a completed application form, an assessment from a contractor outlining the materials needed (master list) and quotations of the cost of the materials from the supplier(s). The applicant is required to submit quotations from suppliers to draw down from the material list over time as the materials are purchased.
 - ii. For concessions on household appliances, a completed application form as well as invoices/quotations from a supplier is required.
 - iii. For the Business reactivation concession, in addition to the application form, businesses will also be required to submit relevant documentation such as their business registration, tax compliance certificate and NIS compliance certificate. In cases where the applicant cannot produce the physical documents, the secretariat can work with the relevant institutions to obtain documents/evidence required.
- b) The BESS or responsible agency will review the application and conduct an on-site assessment of the property (including photo evidence) to confirm that the list of materials (master list) is in line with the reconstruction needs of the property.
- c) Once approved, the application will be forwarded to the Ministry of Finance for processing. The Ministry of Finance will issue a letter outlining the details of the approval to the individual/business, as well as the supplier (for a local purchase) or the Customs and Excise Division (for imports). Local suppliers must report the VAT as zero-rated sales on the VAT Return for that month.
- d) All beneficiaries of the concession programme are required to comply with the building code and practices as approved by the Government. The Planning and Development Authority will conduct audits of all properties benefiting from the concessions.
- e) This incentive program will apply from July 1, 2024 to June 30, 2025 in the first instance.
- f) Please note that items are not for resale.

TAX INCENTIVES

Value-Added Tax (VAT)

All VAT requirements, that is the requirements to collect, file and remit VAT are hereby waived for businesses affected by Hurricane Beryl for the period June 1 – December 31, 2024. **Note that VAT must not be charged.**

For Businesses in Carriacou and Petite Martinique

- ❖ The Inland Revenue Division (IRD) will waive the requirement for all VAT-registered businesses in Carriacou and Petite Martinique to collect, remit and file VAT Returns for the period June 1– December 31, 2024, by categorizing the businesses as “inactive” in the tax system.
- ❖ The IRD will conduct on-site assessments of business operations in the months of November and December which will inform the expiration or extension of the waiver on a case-by-case basis.

For Businesses in Grenada

- ❖ Affected businesses must contact the IRD to request the waiver.
- ❖ The IRD will assess the property/business to determine whether the waiver should be granted given the level of disruption to normal business operations.
- ❖ A waiver will be granted if deemed necessary

Property Tax

Property taxes on properties damaged or destroyed by Hurricane Beryl (residential or commercial) will be waived for 2025.

For Properties in Carriacou and Petite Martinique

The policy will apply to all properties.

For Properties in Grenada

- ❖ The property owner must request the waiver from the IRD.
- ❖ Properties will be assessed by the IRD to determine whether it qualifies for the waiver.
- ❖ Approval/Denial letters will be issued accordingly.

Other Tax Types

- ❖ All Corporate Income Tax (CIT) requirements are hereby waived for businesses in Carriacou and Petite Martinique for the period June 1 – December 31, 2024.

- ❖ The deadline for businesses in Carriacou and Petite Martinique to file and remit outstanding Annual Stamp Tax instalments, Pay-As-You-Earn (PAYE) and Withholding Tax is extended to December 31, 2024.
- ❖ Businesses on mainland Grenada are required to request this waiver/extension from the IRD, if needed.

FINANCIAL SUPPORT

Loan-Grant Facility at the Grenada Development Bank

- ❖ Government will transfer EC \$25 million to the Grenada Development Bank to establish a business reactivation fund for businesses affected by Hurricane Beryl.
- ❖ Medium, Small and Micro Enterprises (MSMEs) including the hotel, agriculture and fishing sectors can access this facility to support rebuilding and working capital needs.
- ❖ The financing will be disbursed as part loan, part grant where applicable. Interest rate will be highly concessional.
- ❖ The facility will come into effect on **September 1, 2024**. The GDB will provide more information in the coming weeks.

IMPORTANT CONTACTS

Entity	Email Address	Contact Number
BESS -Carriacou <ul style="list-style-type: none"> Ministry of Carriacou and Petite Martinique Affairs Davon Baker 	ministry@cpma.gov.gd davon.baker@cpma.gov.gd	473-443-6026 473-415-8490
BESS-Grenada Ministry of Community Development and Housing <ul style="list-style-type: none"> Skitta Regis Gary Walker 	housingclerk1@cdh.gov.gd sho@cdh.gov.gd	473-420-5107 473-458-8020
Ministry of Finance – Concession Desk	concessions@mof.gov.gd	473-440-2731
Inland Revenue Division	tpshelpdesk@ird.gov.gd	473-435-6945
Office of Creative Affairs	operations@creativeaffairs.gov.gd	473-534-4622
Grenada Industrial	pureinvestment@gidc.gd	473-444-1035/6

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