CULTURAL INDUSTRIES DEVELOPMENT ACT, 2013–15

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BARBADOS

I assent
ELLIOTT F. BELGRAVE
Governor-General
21st November, 2013.

2013–15

An Act to provide for

(a) the establishment of a regulatory framework to facilitate and encourage the sustainable growth and development of cultural industries;

(b) funding for cultural projects; and

(c) duty free concessions and income tax benefits in respect of cultural projects,

and for related matters.

[Commencement: by Proclamation]

ENACTED by the Parliament of Barbados as follows:

Part I

Preliminary

Short title

1. This Act may be cited as the *Cultural Industries Development Act, 2013.*

Interpretation

2.(1) In this Act,

"approved cultural agency" means an entity approved by the Minister for the purposes of

(a) registering cultural entrepreneurs and cultural practitioners;

(b) obtaining funding for cultural entrepreneurs and cultural practitioners; and

(c) obtaining concessions for cultural entrepreneurs and cultural practitioners;

"approved cultural project" means a cultural industries project that has been declared to be an approved cultural project by the Minister under section 12(2);

"approved producer of audio-visual content" or "approved producer" means a film production company incorporated under the *Companies Act,* Cap. 308, or registered under the *Registration of Business Names Act,* Cap. 317 that is controlled by a resident of Barbados;

"arts and heritage facilities" means any building, service or equipment utilised for the purpose of the arts or identified as having heritage value;

"Authority" means the Cultural Industries Development Authority established under section 3;

"Comptroller" means the Comptroller of Customs;

"conservation" means the maintenance, preservation, restoration or reconstruction of heritage buildings, structures and areas of historic or aesthetic, architectural, cultural or environmental significance according to guidelines established by the local World Heritage Committee in collaboration with the Town and Country Planning Department;

"cultural administrator" means a person who liaises between the artists and the consumer to create an environment for the development of the cultural industries sector;

"cultural entrepreneur" means a person who organises, manages and assumes the risk of a business or enterprise in the cultural industries sector;

"cultural goods and services" means goods which result from individual or collective creativity and activities aimed at satisfying cultural interests or needs;

"cultural heritage" encompasses several main categories of heritage and includes

(a) immovable cultural heritage such as buildings, monuments and archaeological sites;

(b) intangible cultural heritage such as oral traditions, performing arts and rituals;

(c) natural heritage such as natural sites with cultural aspects - cultural landscapes, physical, biological or geological formations;

(d) underwater cultural heritage such as shipwrecks, underwater ruins and cities;

"cultural industries" include those enterprises which provide the general public with commercially viable cultural goods and services that are developed for reproduction and distribution to mass audiences in the following areas:

(a) arts and culture - the performing arts, visual arts, literary arts, photography, craft, culinary arts, libraries, museums, galleries, archives, heritage sites, festivals and art supporting enterprises;

(b) design - advertising, architecture, web and software design, graphics, industrial design, fashion, communications, interior and environmental design;

(c) media - broadcast media including television, radio and cable, digital media including software and computer services, film and video, recorded music and publishing and video games;

"cultural practitioner" means an individual, company, partnership or unincorporated body that

(a) is involved in the business of the arts and cultural industries;

(b) has been issued with a licence under section 19; or

(c) is registered with a cultural agency;

"cultural project" means a cultural industries project undertaken by a cultural entrepreneur, cultural practitioner or governmental entity that assists in the development of cultural industries;

"cultural worker" means an individual whose technical or administrative labour is required to facilitate the production of goods and services in the cultural and creative industries;

"Fund" means the Cultural Industries Development Fund established under section 32;

"governmental entity" means an agency of government established by statute or incorporated under the *Companies Act*, Cap. 308 for the purposes of developing culture, cultural industries or the arts;

"heritage building" means a building that possesses architectural, aesthetic, historical or cultural values and which is listed as such with the local World Heritage Committee, the Town and Country Planning Department, the Barbados Museum and Historical Society or the Barbados National Trust;

"interim approval" means the approval of a cultural industries project by the Minister under section 14;

"investor" means

(a) an individual, company, partnership or unincorporated body that is incorporated under the *Companies Act*, Cap. 308 or registered under the *Registration of Business Names Act or* , Cap. 317; or

(b) a cultural entrepreneur or a cultural practitioner

who invests in a cultural project with the expectation of receiving a financial return;

"licence" means the licence issued by the Minister undersection 12 in respect of an approved cultural project;

"social media" means a group of internet and mobile based technologies that support interactive dialogue and exchange of user generated content;

"supplies" means

(a) goods that are imported, purchased from a bonded warehouse or that are locally manufactured for the construction, development and operation of an approved cultural project; and

(b) the provision of services that directly relate to the construction of an approved cultural project.

(2) For the purposes of this Act, the term "resident of Barbados" means a person who in an income year

(a) spends in the aggregate more than 182 days in Barbados; or

(b) is ordinarily resident in Barbados in the relevant income year.

(3) For the purposes of subsection 2(b) a person shall be deemed to be ordinarily resident in Barbados in an income year if that person

(a) has a permanent home in Barbados; and

(b) has given notice to the Commissioner of Inland Revenue that he intends to reside in Barbados for a period of at least 2 consecutive years, including the income year in question.

(4) For the purposes of subsection (3) "permanent home" means accommodation in Barbados which is permanently available for the use of the person in question but does not include accommodation retained for his use in Barbados solely as a vacation property.

Part II

Establishment, Composition and Administration of the Authority

Establishment of the Authority

3.(1) There is established an Authority to be known as the Barbados Cultural Industries Development Authority.

(2) The Authority is a body corporate to which section 21 of the *Interpretation Act*, Cap. 1, applies.

Functions of the Authority

4. The Authority established under section 3 shall be responsible for

(a) promoting, assisting and facilitating the efficient development of the cultural industries;

(b) designing and implementing suitable marketing strategies for the effective promotion of the cultural industries;

(c) maintaining a registry of the applications of cultural entrepreneurs or cultural practitioners submitted to the Minister and the approvals granted in respect of those applications;

(d) determining the eligibility of cultural projects for funding;

(e) processing the applications for concessions and benefits to be derived under this Act;

(f) monitoring and inspecting each approved cultural project to ensure the compliance of the cultural entrepreneur, cultural practitioner or governmental entity with the terms and conditions governing the project and for this purpose may

(i) cause the books, records and accounts of the cultural entrepreneur, cultural practitioner or governmental entity in relation to a cultural project to be inspected;

(ii) request such information from the cultural entrepreneur, cultural practitioner or governmental entity as the Authority considers necessary to enable the inspection to be carried out; and

(g) such other functions as are conferred on the Authority by the Minister.

Establishment of Board of Directors

5.(1) There is established a Board of Directors of the Authority which shall advise the Minister on any matter connected to cultural industries and be responsible for the execution of the policy of the Authority.

(2) The *First Schedule* has effect with respect to the constitution of the Board and otherwise in relation thereto.

Appointment of Offices

6.(1) The Authority shall, with the approval of the Minister, appoint such persons to such offices as may be designated by the Minister.

(2) The Chief Executive Officer of the Authority, by whatever name called, is subject to the directions of the Board for the execution of its policy and the management of its affairs.

Other Staff

7.(1) The Authority may appoint and employ such officers, agents and servants as it considers necessary for the proper carrying into effect of the provisions of this Act, at such remuneration and on such terms and conditions as the Minister approves in writing.

(2) Notwithstanding subsection (1) no post shall be established and no salary in excess of such amount as the Minister may determine and may notify in writing to the Authority shall be assigned to any post without the prior approval of the Minister.

(3) Subject to this Act and to the *Statutory Boards (Pensions) Act*, Cap. 384, no provision shall be made for the payment of any pension, gratuity or other like benefit to any person employed by the Authority without the prior approval in writing of the Minister.

Pension rights and service with Authority

8.(1) Where a public officer is seconded or temporarily transferred from a pensionable office within the meaning of section 2(1) of the *Pensions Act*, Cap. 25 to perform any service with the Authority, his service with the Authority shall, unless the Governor-General otherwise decides, count for pension under that Act as if the officer had not been so seconded or transferred.

(2) Where the services of a person employed by the Authority are on loan to the Government that person is entitled to such benefits and terms of employment as are applicable to the post which he occupies, and the service with the Authority shall be taken into account as continuous service with the Government and the *Pensions Act*, Cap. 25 and the *Pension Regulations 1947* (1947/20) shall apply to him as if his service with the Authority were service within the meaning of that Act.

(3) Where a public officer is transferred to the service of the Authority in accordance with subsection (1), the Authority shall refund to the Consolidated Fund all moneys payable as pension in respect of the service of that officer with the Authority.

Savings of pension

9. Where a public officer who has pensionable service is transferred to or becomes employed in the service of the Authority, his service with the Authority shall, whether or not there was a break in service, be aggregated with his service in the public service and his pension shall be calculated in accordance with the *Pensions Act*, Cap. 25 and the *Pensions Regulations, 1947* (1947/20).

Directions of Minister

10. The Minister may give the Authority directions of a general nature or specific nature in respect of the policy to be followed by the Authority in the performance of its functions under this Act, and the Authority shall comply with those directions.

Fees

11. The Authority may charge such fees as are prescribed by order made by the Minister responsible for Finance for

(a) the issue of licences; and

(b) any service performed by it.

Part III

Approval of Cultural Project

Application for approval of cultural project

12.(1) A cultural entrepreneur, cultural practitioner or governmental entity who wishes to develop a cultural project may apply to the Minister to have the cultural project approved for the purposes of this Act.

(2) For the purposes of this Act, a cultural project includes work in

(a) arts and culture;

(b) design;

(c) media;

(d) the use of new technologies and the development of the social media and data bases for the purpose of enhancing the operation and management of the cultural industries sector;

(e) the training and professional development of artists, artisans and students of the arts and cultural workers;

(f) product design and the marketing and distribution of cultural goods and services;

(g) product design with respect to cultural goods and services;

(h) the construction or renovation of arts and heritage facilities and the acquisition of specialised equipment for those purposes;

(i) the promotion and presentation of programmes in the area of cultural heritage and artistic expression;

(j) the restoration, preservation and conservation of natural sites;

(k) the establishment, restoration, preservation and conservation of monuments, museums and other historical structures and sites; and

(l) research work on culture and cultural industries,

aimed at stimulating economic activity and development.

(3) The Minister may, with the approval of the Cabinet, declare by order any cultural project that meets the requirements of this Act to be an approved cultural project for the purposes of this Act.

Further information to be furnished by the applicant

13. Upon receipt of an application under section 12, the Minister may require that further information be submitted to him with respect to any matter relevant to the applicant including

(a) the estimated expenditure of the cultural project and the source of funds to be used;

(b) a project feasibility study forecasting the economic impact of the cultural project on the development of cultural industries in Barbados;

(c) evidence of ownership of the cultural project, that is, the copyright, patent, trade mark, industrial design, or other such ownership of the cultural project;

(d) a proposed marketing plan relevant to the completed cultural project;

(e) where the applicant is not an individual, evidence of the legal status of the entity in respect of its authority to carry on its business;

(f) the nature of the business carried on by the cultural entrepreneur or cultural practitioner;

(g) information on the project such as the name and nature of the project and expected duration of the project together with a description of the project;

(h) estimated projected cash flow of the cultural project;

(i) estimated capital cost of the project;

(j) an estimated annual operational budget of the project; and

(k) any other information including comments from the National Cultural Foundation or any other cultural agency, that may be required by the Minister.

Interim approval of a cultural project

14.(1) Where the Minister is satisfied that the cultural project would assist in the development of culture and cultural industries, the Minister may with the approval of the Cabinet, grant to the cultural entrepreneur, cultural practitioner or governmental entity an interim approval of the cultural project as the first stage in a two-stage authorisation procedure which would include

(a) an interim approval of the cultural project based on the information submitted in accordance with section 13 and the registration of the cultural entrepreneur, cultural practitioner or governmental entity with an approved cultural agency; and

(b) a licence issued to the cultural entrepreneur, cultural practitioner or governmental entity under section 19 on the recommendation of the Authority where the Authority is satisfied that all of the relevant procedures, requisitions and statutes have been complied with, and that the cultural project is in a suitable form and is of a standard acceptable to the Authority.

(2) Where the Minister grants an interim approval in accordance with subsection (1) a notice to that effect shall be made by the Minister and published in the *Official Gazette*.

Notification

15. Where the Minister receives an application under section 12, the Minister shall within 90 days of the date of its receipt,

(a) notify the applicant in writing of the approval or refusal of the application; or

(b) request that additional information be submitted in accordance with section 13.

Form of interim approval

16. The interim approval granted under section 14(1) shall

(a) be in such form and contain such particulars as may be prescribed;

(b) specify the benefits that may be granted to the applicant in respect of the project; and

(c) be subject to such conditions or terms as the Minister may attach.

Suspension or revocation of interim approval

17.(1) An interim approval may be suspended or revoked by the Minister at any time where

(a) any information submitted with respect to the application is false or misleading; or

(b) the applicant to whom the interim approval was granted has failed to comply with any condition or term of the interim approval.

(2) Where the Minister suspends or revokes an interim approval, the Minister shall in writing inform the person to whom the approval was granted of the reasons for the suspension or revocation.

Order declaring approved cultural project

18.(1) Where a cultural project has been developed in accordance with the conditions of an interim approval, the Minister shall by order, declare the resulting project to be an approved cultural project for the purpose of this Act.

(2) An order made under subsection (1)

(a) shall be in such form and contain such particulars as may be prescribed by the Minister;

(b) shall specify the benefits to be granted to the applicant; and

(c) may impose conditions or terms to be observed by the applicant.

(3) Where an Order is made pursuant to subsection (1) and the applicant fails to comply with the conditions or terms imposed in the Order, the Minister may revoke the Order by a notice published in the *Official Gazette.*

Licensing of cultural project

19.(1) Where a cultural project has been reviewed and assessed by the Authority and has met the standards and requirements of the relevant cultural agency, the Minister shall issue to the cultural entrepreneur, cultural practitioner or governmental entity a licence in respect of the approved cultural project.

(2) A licence issued under subsection (1)

(a) shall be in such form and contain such particulars as may be prescribed by the Minister by order; and

(b) may impose conditions to be observed by the cultural entrepreneur, cultural practitioner or governmental entity.

(3) Where conditions are imposed in a licence issued under subsection (1) and those conditions are not observed by the cultural entrepreneur, cultural practitioner or governmental entity the Minister shall revoke the licence by a notice published in the *Official Gazette*.

Effective date of licensing

20.(1) Where a licence is issued under section 19, the licence shall specify the effective date from which the cultural entrepreneur, cultural practitioner or governmental entity will receive any tax benefit granted to the cultural entrepreneur, cultural practitioner or governmental entity pursuant to this Act.

(2) The date specified in the licence under subsection (1) shall mark the beginning of the initial year of assessment for the purpose of computing tax benefits.

Part IV

Duty Free Concessions

Permit and exemption from duties and taxes

21.(1) Where a cultural entrepreneur, cultural practitioner or governmental entity has been granted an interim approval in respect of a cultural project, the Minister may grant to that cultural entrepreneur, cultural practitioner or governmental entity a permit for the importation of the items set out in the *Second Schedule*.

(2) A cultural entrepreneur, cultural practitioner or governmental entity of an approved cultural project shall be exempt from the payment of import duty, stamp duty and value added tax on

(a) imports of equipment listed in Part I of the *Second Schedule*;

(b) imports of operating non-capital supplies necessary for preparing for national festivals listed in Part II of the *Second Schedule*;

(c) building materials purchased locally; and

(d) other capital assets.

(3) For the purposes of subsection (2),

(a) "capital assets" refer to items such as imports of equipment, apparatus and materials; and

(b) "imports of operating non-capital supplies" means goods used in the preparation of festivals and approved cultural projects.

(4) Where a governmental entity is a cultural entrepreneur or cultural practitioner it shall be exempt from the payment of all duties and taxes on imports used for the construction and furnishing of a new building or for the renovation and furnishing of an existing building where such building is to be used primarily for cultural activities.

(5) The exemption from the payment of duties and taxes referred to in subsection (2) shall be for a period of 15 years from the date of the importation of the imports or capital assets.

(6) A permit granted under subsection (1) shall be in such form and subject to such terms and conditions as the Minister may prescribe.

(7) The Minister may by order amend the *Second Schedule*.

Suspension or revocation of permit

22. Where the Minister is satisfied that the holder of a permit granted under section 21(1) has

(a) obtained the permit by any false statement;

(b) abused or misused the permit; or

(c) breached or failed to comply with any condition stipulated in the permit,

the Minister may by written notice to the holder of the permit, either suspend the operation of the permit or revoke the permit and shall give reasons for the suspension or revocation.

Incentives

23. A cultural entrepreneur, cultural practitioner or governmental entity is entitled to any one or more of the following incentives in respect of an approved cultural project:

(a) the payment of tax at the rate of 15 per cent on the profits of the project;

(b) exemption from withholding tax on dividends and interest earned on investment in an approved cultural project;

(c) exemption from the payment of stamp duty under the *Stamp Duty Act*, Cap. 91 on all documents related to the project where the registration of these documents is required by law;

(d) a deduction of tax of an amount equal to 20 per cent of the actual expenditure incurred in respect of the use of technology, market research and any other activity that is in the opinion of the Committee directly related to the development of the approved cultural project.

Prohibited uses

24. Every cultural entrepreneur or cultural practitioner and where the cultural entrepreneur or cultural practitioner is a government entity, every officer of the governmental entity, who imports building material, equipment and supplies without payment of duties and taxes and who without the authorisation of the Minister, disposes of the equipment and supplies other than as provided for in the permit is guilty of an offence and is liable on conviction on indictment to

(a) a fine of 3 times the value of the equipment and supplies in respect of the disposal; or

(b) repayment of the duties and taxes refunded on the equipment and supplies

or both.

Keeping of records of equipment, building material and supplies

25.(1) The Comptroller shall require every cultural entrepreneur, cultural practitioner or governmental entity who imports equipment, building material and supplies or purchases equipment, building material and supplies locally to

(a) keep records in such form and containing such particulars as may be specified by the Comptroller in respect of the use or disposal of the supplies, equipment and building materials; and

(b) permit the Comptroller or any person authorised by him in writing, at all reasonable times, to inspect the records and to have access to any premises for the purposes of examining any equipment, building material and supplies which the Comptroller may believe to be therein,

and of satisfying himself in respect of the accuracy of the particulars in relation to the equipment, building materials and supplies contained in the records.

(2) The conditions imposed under paragraphs *(a)* and *(b)* of subsection (1) shall apply for a period of 5 years from

(a) the date of the importation of the equipment, building material and supplies without payment of the duties and taxes; or

(b) the date of payment of the duties and taxes,

as the case may be.

(3) A person who wilfully delays, hinders or obstructs the Comptroller or any person authorised by him in writing from inspecting the equipment, building material and supplies or any records relating to the equipment, building material or supplies is guilty of an offence and is liable on conviction on indictment to a fine of $50 000 or 5 times the value of the equipment, building material and supplies, whichever is greater.

Part V

Income Tax Concessions

Constructing and furnishing of a new building or refurbishment and furnishing of an existing building

26.(1) Where a cultural entrepreneur, cultural practitioner or a governmental entity responsible for a cultural project

(a) secures a loan from a private sector lending institution for the purpose of constructing and furnishing a new building or refurbishing an existing building, where the building will be primarily used for cultural activities; and

(b) has in an income year incurred expenditure in relation to that construction, furnishing or refurbishment,

then in calculating the assessable income of the cultural entrepreneur, cultural practitioner or governmental entity for an income year, there shall be deducted an amount equal to 100 per cent of the interest paid on the loan in the income year.

(2) The cultural project referred to in subsection (1) shall not have a value that is less than $15 000, and the portion of the loan on which the concession at subsection (1) is granted shall be no more than 50 percent of the value of the cultural project to be constructed or refurbished.

Set-off capital expenditure

27. Where a cultural entrepreneur, cultural practitioner, a governmental entity or investor is desirous of constructing and furnishing a new building or of renovating and furnishing an existing building and the building is to be used primarily for cultural activities, the cultural entrepreneur, cultural practitioner, governmental entity or investor shall be allowed to set off approved capital expenditure against income derived from cultural activities over a period of 10 years commencing in the year following completion of the project.

Allowance in respect of artistic work

28.(1) Where in an income year a cultural entrepreneur, cultural practitioner or a governmental entity incurs expenditure in respect of an artistic work, however defined, there shall be allowed as a deduction, in ascertaining the chargeable profit derived from the cultural activities of the cultural entrepreneur, cultural practitioner or the governmental entity for that year of income, an allowance equal to 150 per cent of the actual expenditure up to a maximum of $250 000.

(2) The deduction referred to in subsection (1) may only be claimed in respect of the initial acquisition of the work and where the work is done by a resident of Barbados.

(3) The allowance referred to in subsection (1) shall apply in total to all purchases of artistic work in the income year.

Marketing

29. Where a cultural entrepreneur, cultural practitioner or governmental entity has in an income year incurred expenditure for marketing, product development and research related to marketing and product development, then in calculating the assessable income derived from the cultural activities of that cultural entrepreneur, cultural practitioner or governmental entity for an income year, there shall be deducted an amount equal to 150 per cent of the expenditure incurred.

Training

30.(1) Where a cultural entrepreneur, cultural practitioner or governmental entity has in an income year incurred for the purpose of training persons employed by the cultural entrepreneur, cultural practitioner or governmental entity, expenditure for marketing, product development and research related to marketing and product development, then in calculating the assessable income derived from the cultural activities of that cultural entrepreneur, cultural practitioner or governmental entity for an income year, there shall be deducted an amount equal to 150 per cent of the expenditure incurred.

(2) The cultural entrepreneur, cultural practitioner or governmental entity referred to in subsection (1) may claim an additional 50 per cent of the expenditure where the cultural project involves an employee share ownership scheme that meets the criteria prescribed by the Minister.

(3) For the purposes of this section "employee share ownership scheme" means a reward scheme or package in which employees are offered shares in a company

(a) at a full or discounted price or free of cost;

(b) as equity in a publicly traded company;

(c) to facilitate the acquisition and distribution of a company's share to its employees.

Investment

31. Where an investor makes an investment in a cultural practitioner or approved cultural project, in calculating the assessable income of the investor there shall be deducted an amount equal to 100 per cent from their assessable income for the first five years from the commencement of this Act.

Dividends

32. Dividends paid to a shareholder by a corporate entity in respect of a cultural project shall not be subject to withholding tax and the provisions of sections 65(4) and 65(4A) of the *Income Tax Act*, Cap. 73 shall not apply.

Part VI

Cultural Industries Development Fund

Establishment and resources of the Fund

33.(1) There is established a Cultural Industries Development Fund.

(2) The resources of the Fund shall consist of

(a) any money transferred to the Fund from the *Arts and Sports Promotion Fund*, Cap. 39;

(b) any money voted by Parliament for the Fund;

(c) any money received from the private sector;

(d) moneys arising from gifts, grants or donations; and

(e) any other money received from such other sources as the Minister may determine.

Purposes of the Fund

34. The purposes of the Fund are to

(a) finance cultural projects and programmes that are designed to develop the cultural industries sector and train cultural entrepreneurs, cultural practitioners, cultural administrators and cultural workers;

(b) provide cultural entrepreneurs or cultural practitioners with non-repayable grants to enable them to participate in local and overseas events, workshops and seminars, and allow for training, marketing, export and product development;

(c) provide repayable grants to support cultural projects on the condition that the grants be repaid out of the future business revenues;

(d) provide loans which allow for easy and flexible repayment together with interest;

(e) provide equity financing to allow investors to inject funds into cultural businesses and in return to take an equity share in the capital of such businesses; and

(f) to defray the costs incurred in the administration of this Act.

Administration and management of Fund

35.(1) The Fund shall be kept, administered and managed by the Accountant General under the general control and direction of the Minister.

(2) The initial expenditure required for, or in connection with, the establishment of the Fund shall be defrayed out of moneys provided by Parliament.

(3) Any temporary insufficiency of the Fund to discharge its liabilities shall be defrayed out of such moneys as each House of Parliament may by resolution approve by way of advance for this purpose to the Fund.

(4) Every advance referred to in subsection (3) shall as soon as possible be repaid to the Consolidated Fund out of the resources of the Cultural Industries Development Fund.

Reports

36.(1) The Accountant-General shall prepare quarterly reports of the accounts and economic activity of the Fund and shall deliver those reports to the Minister not later than 21 days following the end of each quarter.

(2) The Minister responsible for Culture shall, as soon as practicable after receiving a report referred to in subsection (1), cause a copy to be laid in both Houses of Parliament.

Auditing of the Fund

37. The accounts of the Fund shall be audited at least once every financial year by the Auditor-General.

Investment in the Fund

38.(1) Where a cultural entrepreneur, cultural practitioner or governmental entity has in any income year invested an amount of money in the Fund, then in calculating the assessable income of that cultural entrepreneur, cultural practitioner or governmental entity for that income year, there shall be deducted an amount equal to 150 per cent of the actual amount invested.

(2) The benefit described in subsection (1) may only be granted on the certificate of the Accountant-General to the effect that the cultural entrepreneur, cultural practitioner or governmental entity claiming the benefit has contributed that amount of money in respect of the Fund.

PART VII

Incentives for Audio-Visual Production and Motion Pictures

Exemption from taxes

39.(1) Where a cultural entrepreneur or cultural practitioner who is an approved producer of audio-visual content imports

(a) equipment, machinery and materials for the construction of facilities for use in audio-visual and motion picture production; and

(b) equipment for use in audio-visual and motion picture production,

the approved producer shall be exempt from the payment of all duties and taxes payable on such imports of equipment, machinery and materials referred to in paragraphs *(a)* and *(b)*.

(2) Where an approved producer referred to under subsection (1) is desirous of establishing facilities for the production of audio-visual and motion pictures, that person shall be

(a) allowed to set off approved capital expenditure incurred on such facilities against income derived from the audio-visual and motion industry over a period of 10 years commencing in the year following completion of the facilities;

(b) exempt from the payment of property transfer tax on the initial purchase of any property acquired for the specific purpose of providing such facilities;

(c) eligible for interest rate subsidies on funds borrowed from private sector lending institutions for the establishment of such facilities.

(3) Where an approved producer referred to in subsection (1) has in an income year incurred expenditure for the purpose of the production and acquisition in respect of local films, then in calculating the assessable income of the approved producer for an income year, there shall be a write-off of 100 per cent.

(4) Where an approved producer referred to under subsection (1) has in an income year incurred expenditure for the purpose of training persons employed by the approved producer, then in calculating the assessable income of the approved producer for an income year, there shall be deducted an amount equal to 150 per cent of the expenditure incurred.

(5) Where an approved producer referred to under subsection (1) has in an income year incurred expenditure for marketing, product development and research related to an approved cultural project, then in calculating the assessable income of the approved producer for an income year, there shall be deducted an amount equal to 150 per cent of the expenditure incurred.

(6) Where in connection with an approved cultural project, an approved producer requires the services of a specially qualified individual to carry out its business effectively from within Barbados and it is unable to acquire those services in Barbados; and it is unable to retain those services from outside Barbados without special tax concessions, the Minister may grant a tax concession in respect of the specially qualified individual retained from outside Barbados.

(7) The tax concession referred to in subsection (6) is one that allows a prescribed percentage of the qualified individual's salary or fees to be

(a) exempt from income tax in Barbados to an amount that is 60 per cent of his accessable income;

(b) paid in a foreign currency in a trust account without being liable to the payment of income tax in Barbados as to the amount paid or any interest paid or any interest earned thereon;

(c) paid in some other prescribed manner in another currency or otherwise without being liable to income tax in Barbados.

PART VIII

Incentives for Heritage Building and Conservation

Concessions in respect of heritage building and conservation

40.(1) A cultural entrepreneur, cultural practitioner or a governmental entity that is in receipt of a licence issued under section 19 and who imports supplies for a cultural project in the area of heritage building and conservation shall be exempt from the payment of all duties and taxes on such imports where

(a) these imports are used for the purposes of heritage building and conservation; and

(b) the cultural entrepreneur, cultural practitioner or governmental entity complies with the provisions of section 25.

(2) Where a cultural entrepreneur, cultural practitioner or a governmental entity referred to in subsection (1)

(a) secures a loan from a private sector lending institution for the purposes of financing a project concerning heritage building and conservation; and

(b) has in an income year incurred expenditure in relation to the heritage building and conservation

then in calculating the assessable income of the cultural entrepreneur, cultural practitioner or governmental entity for an income year, there shall be deducted an amount equal to 150 per cent of the interest paid on the loan in the income year.

(3) Where a cultural entrepreneur, cultural practitioner or a governmental entity referred to in subsection (1) expends money on an approved heritage building and conservation project, the cultural entrepreneur, cultural practitioner or governmental entity shall be allowed to set off approved capital expenditure against income derived from the heritage building and conservation project over

a period of 10 years commencing in the year following the completion of the project.

(4) Where in an income year a cultural entrepreneur, cultural practitioner or governmental entity incurs expenditure in respect of a heritage building and conservation project, there shall be allowed as a deduction, in ascertaining the chargeable profits derived from the heritage building and conservation project of the cultural entrepreneur, cultural practitioner or governmental entity for that year of income, an allowance equal to 150 per cent of the actual expenditure up to a maximum of $250 000.

(5) The deduction referred to in subsection (4) may only be claimed in respect of the initial heritage building and conservation project, and where the project is implemented by a resident of Barbados who is registered with a cultural agency.

PART IX

Miscellaneous

Regulations

41. The Authority may, with the approval of the Minister make regulations

(a) prescribing

(i) the form of application for a cultural project;

(ii) financial forecasts and specifications that are to accompany an application for the approval of a cultural project;

(iii) the form and content of interim approvals and the conditions to be contained therein;

(iv) the form and content of the licence to be issued to the cultural entrepreneur, cultural practitioner or governmental entity in respect of an approved cultural project;

(v) the criteria for determining the projects that are to benefit from the Fund;

(vi) the fees to be paid in respect of any licence issued under this Act;

(vii) the fees for services charged by the Authority in connection with a cultural project; and

(b) generally for the purpose of giving effect to this Act.

Offences

42. A person who contravenes any provision of this Act or the Regulations made pursuant to this Act is guilty of an offence and is liable on summary conviction to a fine of $2 500 or to imprisonment for a term of 2 years or to both.

Commencement

43. This Act comes into operation on a date to be fixed by proclamation.

FIRST SCHEDULE

(Section 5(2))

Constitution and Procedure of Board

The Board shall comprise

1. The Board shall comprise

(a) a Chairman and Deputy Chairman; and

(b) such other members as the Minister may appoint by instrument in writing.

Temporary appointment of Board

2. The Minister may, in accordance with paragraph 1 *(b)*, appoint any person to act temporarily in the place of any Director who is absent from Barbados or is unable to act.

Tenure

3.(1) A Director holds office for such period as the Minister determines unless he resigns or his appointment is revoked before the end of that period.

(2) Every Director is, on the expiration of the period of his appointment, eligible for re-appointment for a further period.

(3) Where a vacancy is created by the death, resignation or removal from office of a Director, a person may be appointed in accordance with paragraph 1 *(b)* to fill that vacancy.

Resignation of Chairman or Deputy Chairman

4. The Chairman or Deputy Chairman may at any time resign his office by instrument in writing addressed to the Minister and, upon the receipt by the Minster of the instrument, the Chairman or Deputy Chairman ceases to be

Chairman or Deputy Chairman and, if the instrument so specifies, also ceases to be a director.

Resignation of Director

5.(1) A Director, other than the Chairman or Deputy Chairman may at any time resign his office by instrument in writing addressed to the Minister and transmit the instrument through the Chairman and, from the date of the receipt by the Minister of the instrument, the Director ceases to be a Director.

Automatic termination of memberships

6. Any Director who fails, without reasonable excuse, to attend 3 consecutive meetings of the Board ceases to be a Director and is not eligible for appointment to the Board until the expiry of 3 years from the date when he ceases to be a director.

Revocation of membership

7. The Minister may at any time by instrument in writing revoke the appointment of any Director.

Disqualification of director

8. A person is not qualified for appointment as a Director if he is employed by the Authority.

Notice in *Official Gazette*

9. The appointment and the cessation of appointment of a Director shall be notified in the *Official Gazette*.

Seal

10.(1) The seal of the Authority shall be kept in the custody of the Chairman or Deputy Chairman, or such officer of the Authority as the Authority approves,

and may be affixed to documents or instruments pursuant to a resolution of the Authority in the presence of the Chairman or Deputy Chairman and the Secretary.

(2) The seal of the Authority shall be authenticated by the signature of the Chairman and the Secretary.

(3) All documents or instruments, other than those required by law, to be under seal, and all decisions of the Authority may be signified under the hand of the Chairman or Deputy Chairman.

Meetings

11. The Board shall meet at least once a month and at such other times as may be necessary, or expedient for the transaction of its business.

Disclosure of directors interest

12.(1) A Director who has any interest in a company or concern with which the Authority proposes to make a contract or otherwise transact business shall disclose to the Authority the particulars of that interest, and details of the disclosure shall be recorded in the minutes taken at the meetings at which the disclosure is made.

(2) A Director referred to in subsection (1) shall not take part in any deliberation or discussion of the Board relating to that contract or business.

Special Meetings

13. The Chairman or, in the event of his absence from Barbados, or inability to act as such, the Deputy Chairman may at any time call a meeting of the Board and shall call a meeting within 7 days of the receipt by him of a request for that purpose addressed to him in writing and signed by 3 other Directors.

Presiding at meetings

14. The Chairman or, in his absence, the Deputy Chairman shall preside at all meetings of the Board and, in the case of the absence of both, the Directors

present and constituting a quorum shall elect a temporary Chairman from among their members who shall preside at the meeting.

Quorum

15. A majority of the Directors shall constitute a quorum.

Decisions

16. The decisions of the Board shall be by a majority of votes and, in any case in which the voting is equal, the Chairman, the Deputy Chairman or temporary Chairman presiding at the meeting has, in addition to an original vote, a second or casting vote.

Minutes

17.(1) Minutes in proper form of each meeting shall be kept by the Secretary or such officer as the Authority appoints for the purpose and shall be confirmed in writing at the next meeting by the Chairman or Deputy Chairman.

(2) Confirmed minutes of meetings shall be submitted to the Minister within one month of the date of the meeting at which they were confirmed.

Attendance of non-members at meetings

18.(1) The Chairman may write any person to attend a meeting of the Board where the Board considers it necessary to do so.

(2) A person referred to in sub-paragraph (1) may take part in the deliberations of the Board but shall not vote on any matter.

Validity of decisions of the Board

19. Any act done or proceeding taken by the Board under this Act or the regulations may not be questioned on the ground of

(a) the existence of any vacancy in the membership of or of any defect in the constitution of the Board;

(b) any omission, defect or irregularity that does not affect the merits of the case.

SECOND SCHEDULE

(Section 21(1))

Duty Free Concessions

Part I

Equipment

SECTOR	TOOLS OF TRADE
AUDIO VISUAL EQUIPMENT	Cameras and camera accessories Editing suites, editing equipment Electrical equipment Generators Grip equipment Lighting equipment Make up , make up tools Production office equipment Production vehicles: grip truck, generator truck, wardrobe truck , trailers Set pieces, props e.g prop guns Sound engineering equipment Sound recording and mixing equipment Stunt and special effects equipment Tapes, discs recording material

SECOND SCHEDULE - *(Cont'd)*

Duty Free Concessions - *(Cont'd)*

Part I - *(Cont'd)*

Equipment - *(Cont'd)*

SECTOR - (Cont'd)	**TOOLS OF TRADE** - (Cont'd)
CRAFT	Soldering irons Anvils Wire cutters Drilling machines Filing tools Tape measures Metal rolling mills Torches and accessories Flexible shafts Jewellery tools Fabric Beads Leather Hooks Fasteners Glue Glazes Stains Metal dyes Jewellery supplies Wire (gold, copper, silver) Linoleum Paper Sewing machines Kilns (electric or gas) Computer and software Credit card machines Jewellery display cases

SECOND SCHEDULE - *(Cont'd)*

Duty Free Concessions - (Cont'd)

Part I - *(Cont'd)*

Equipment - *(Cont'd)*

SECTOR - (Cont'd)	**TOOLS OF TRADE** - (Cont'd)
CRAFT	Steamers Mannequins Electrical & manual potters' wheel Pug mill Whirlers or turntables Extruders Slab rollers Casting machines and accessories Storage containers
CULINARY ARTS	Knives Kitchen equipment
FASHION	Fabrics Dyes of all types and kinds Straight stitch machine 4 Thread machine Overlock (serger) machine Buttonhole machine Hilman machine Gloves Scissors Nippers Pattern paper Labels Mannequins Dressforms Fabric Clothes racks

SECOND SCHEDULE - *(Cont'd)*

Duty Free Concessions - (Cont'd)

Part I - *(Cont'd)*

Equipment - *(Cont'd)*

SECTOR - (Cont'd)	**TOOLS OF TRADE** - (Cont'd)
FASHION - (Cont'd)	Wall fixtures for displaying garments Threads Yarns Notions Steamers Display racks Industrial Irons Needles Tape measures Rotary machine Button tacking machine
MUSIC	All types of acoustic guitars All types of electric guitars Guitar accessories Straps, bags and cases Slides, capos Pick and pick guards All types of string Electric and battery powered tuners Guitar stands Cleaning agents Keyboards stands Professional keyboards Keyboard controllers Keyboard amplifiers Sound modules Drumsets

SECOND SCHEDULE - *(Cont'd)*

Duty Free Concessions - (Cont'd)

Part I - *(Cont'd)*

Equipment - *(Cont'd)*

SECTOR - (Cont'd)	**TOOLS OF TRADE** - (Cont'd)
MUSIC - (Cont'd)	Acoustic drum-kits and accessories Electronic drum machines or modules Snare-Bass-drums Hand drums: Djembe, congas, maracas Wooden bongos Wooden and plastic tambourines Wooden and plastic jam blocks Vibra slaps Cabasas Cowbells Guiros Straps and belts for carrying drums Carpeting Blank CDs Sound proofing material Flash drives Computers & music production software Duplicating systems Digital and analog mixers Digital multi-track recorders and accessories Portable recorders CD/DVD flash recorders Active and passive monitors Headphones Headphone Amplifiers Single- dual- and multi-channel preamplifiers and accessories Amplifiers

SECOND SCHEDULE - *(Cont'd)*

Duty Free Concessions - *(Cont'd)*

Part I - *(Cont'd)*

Equipment - *(Cont'd)*

SECTOR - (Cont'd)	**TOOLS OF TRADE** - (Cont'd)
MUSIC - (Concl'd)	Signal processing equipment: Channel strips Compressors or limiters Exciters or enhancers Expander gates Graphic equalizers AD/DA converters Synchronizers Amplifiers for all instruments Microphones: Wired and wireless Condenser Dynamic Ribbon USB microphones Benches Equipment side racks Music stands Studio desks Monitor stands Public address speakers Active or powered and passive unpowered All-in-one Public address systems and accessories

SECOND SCHEDULE - *(Cont'd)*

Duty Free Concessions - (Cont'd)

Part I - *(Cont'd)*

Equipment - *(Cont'd)*

SECTOR - (Cont'd)	**TOOLS OF TRADE** - (Cont'd)
THEATRE	Books on theatre Lighting equipment Recording equipment Audio-visual software Theatrical make-up Computers laptop or desktop
VISUAL ARTS	Easels (wooden and metal) Large format photo printers Photo printing papers Camera equipment Flat drawers for storing papers Light boxes and camp stands Animation layout table Peg bars Animation camera & lenses Flashes Photo processing software Filters Tripods Digital memory cards Photo exposure unit Printing presses Oil Paints Acrylics Watercolours Gouache Pastels

SECOND SCHEDULE - *(Cont'd)*

Duty Free Concessions - (Cont'd)

Part I - *(Cont'd)*

Equipment - *(Cont'd)*

SECTOR - (Cont'd)	**TOOLS OF TRADE** - (Cont'd)
VISUAL ARTS - (Cont'd)	Coloured pencils, drawing pencils Drawing pens and ink Artists' turpentine and solvents Linseed oils, gels and varnishes Various texturing gels and pastes for artists Artist's brushes of all kinds Palette and painting knives Charcoal and graphite sticks Raw artist's pigments Tjanting tools Wax Dyes Technical pens Fixatives Encaustic Screen printing inks and equipment Fabrics Carving tools Fibre reactive dyes Stylus Software for graphic arts Canvas (Primed and unprimed) in rolls or ready stretched Canvas boards Illustration boards Acid free watercolour papers (packages and pads) Acid free papers for drawing Pastels Printmaking Drawing books

SECOND SCHEDULE - *(Cont'd)*

Duty Free Concessions - (Cont'd)

Part I - *(Cont'd)*

Equipment - *(Cont'd)*

SECTOR - (Cont'd)	**TOOLS OF TRADE** - (Cont'd)
VISUAL ARTS - (Cont'd)	Matt boards Animation paper Layout pads Storyboard pads Animation layout sheets Field guides Art books and teaching aids Matt cutter and blades Artist portfolios Artist presentation blocks Containers or tubes for canvases Glazes and stains Slab rollers Ceramic pencils and crayons Handtools Pottery wheels Blungers, jiggers, jolleyers Pugmills and related products Specialists paper

SECOND SCHEDULE - *(Cont'd)*

Duty Free Concessions - *(Cont'd)*

Part I - *(Cont'd)*

Equipment - *(Cont'd)*

SECTOR - (Cont'd)	**TOOLS OF TRADE** - (Cont'd)
TECHNICAL	Generators Intercom systems or walkie talkies Event planning software Ticket counters Ticket production systems Event themed items Décor items Tressle tables Plastic chairs Specialised mirrors Sound boards Drums Keyboards Guitars (rhythm and bass) percussion instruments Wind instruments Speakers Mixers (analog and digital) Power amps Cables and snakes Direct boxes Microphones and stands Equipment cases Stage trussing Diesel Vehicles (vans and trucks) Tarpaulin Hand Tools Rope Stages Instrument amplifiers

SECOND SCHEDULE - *(Cont'd)*

Duty Free Concessions - (Cont'd)

Part I - *(Cont'd)*

Equipment - *(Cont'd)*

SECTOR - (Cont'd)	**TOOLS OF TRADE** - (Cont'd)
TECHNICAL - (Cont'd)	Music stands Mixing consoles CD burners Compressors Power tools Woods, metals and paints Tapes, screws, nails Rigging tools Fabrics Blocks, cleats Staples Fasteners Flagpoles Flutter flags Inflatables Sewing materials Transponders Repeaters Batteries of all types Speaker enclosures Digital snakes CD replicating machinery Projectors and screens Plasma screens Counterweight systems: pulleys, roping systems, weights, shackles pipe and drape infrastructure (plastic and metallic) Modular exhibition frameworks

SECOND SCHEDULE - *(Cont'd)*

Duty Free Concessions - *(Concl'd)*

Part I - *(Concl'd)*

Equipment - *(Concl'd)*

SECTOR - (Concl'd)	**TOOLS OF TRADE** - (Concl'd)
TECHNICAL - (Concl'd)	Modular signage Computers and software Tablets Camera and photography software Speaker labels Glue and other adhesives Lighting dimmers Lighting gels and gel frames Stagelighting units Lighting consoles ladders CD players CDs Design software Canvas Fibre optic cable Speaker management systems Hydraulic lifts

SECOND SCHEDULE - *(Cont'd)*

PART II

Operating non-capital supplies

Raw materials for costume production

Glue sticks (adhesive)
Contact cement (adhesive)
Magnatac (adhesive)
Braid
Appliques
Piettes
Rhinestones
Beads (string or hanging)
Buttons
Feathers or plumes
Spray paint
Fabrics

Structure materials for costume production

Bending wire
Plastic mouldings
Fiber glass rods
Aluminium rods
Electric tape
Flat steel
Hollow steel
Wielding rods

SECOND SCHEDULE - *(Concl'd)*

PART II - *(Concl'd)*

Operating non-capital supplies - (Concl'd)

Supplies for festivals

Generators
Light towers
Chemical toilets
Trailer Unit (air conditioning trailer toilet)
Stage
Stage covers
Tents
Back drops
Banners
Steel
Tables
Chairs
Lighting equipment
Sound equipment
Lighting towers
Billboards
Screen and projectors (day and night)
Dance mats
Drapery
Scaffolding
Fencing
Pyrotechnics
Special effects

CULTURAL INDUSTRIES DEVELOPMENT (AMENDMENT) ACT, 2015–26

Arrangement of Sections

1. Short title
2. Amendment of section 28 of Act 2013-15
3. Amendment of section 29 of Act 2013-15
4. Amendment of section 30 of Act 2013-15
5. Amendment of section 38 of Act 2013-15
6. Amendment of section 39 of Act 2013-15
7. Amendment of section 40 of Act 2013-15

BARBADOS

I assent
ELLIOTT F. BELGRAVE
Governor-General
28th September, 2015.

2015–26

An Act to amend the *Cultural Industries Development Act, Act 2013-15* to reduce the rate applicable to the deductions that can be claimed in respect of income tax.

[Commencement: 5th October, 2015]

ENACTED by the Parliament of Barbados as follows:

Short title

1. This Act may be cited as the *Cultural Industries Development (Amendment) Act, 2015*.

Amendment of section 28 of Act 2013-15

2. ***Section 28 of the Cultural Industries Development Act (Act 2013-15), in this Act referred to as the principal Act, is amended, in subsection (1), by deleting the words "150 per cent" and substituting the words "100 per cent".***

Amendment of section 29 of Act 2013-15

3. ***Section 29 of the principal Act, is amended by deleting the words "150 per cent" and substituting the words "100 per cent ".***

Amendment of section 30 of Act 2013-15

4. ***Section 30 of the principal Act, is amended, in subsection (1), by deleting the words "150 per cent" and substituting the words "100 per cent".***

Amendment of section 38 of Act 2013-15

5. ***Section 38 of the principal Act, is amended, in subsection (1), by deleting the words "150 per cent" and substituting the words "100 per cent".***

Amendment of section 39 of Act 2013-15

6. ***Section 39 of the principal Act, is amended, in subsection (4), by deleting the words "150 per cent" and substituting the words "100 per cent".***

Amendment of section 40 of Act 2013-15

7. ***Section 40 of the principal Act, is amended***

(a) ***in subsection (2) by deleting the words "150 per cent" and substituting the words "100 per cent"; and***

(b) ***in subsection (4) by deleting the word "150 per cent" and substituting the word "100 per cent".***