The Official Gazette

(EXTRAORDINARY)

OF GUYANA

Published by the Authority of the Government

GEORGETOWN, FRIDAY 26TH JANUARY, 2024

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GEORGETOWN, Demerara – Printed and Published every Saturday and on such Extraordinary Days as may be directed by the Government by Guyana National Printers Limited, 1 Public Road, La Penitence, Greater Georgetown.

FRIDAY 26TH JANUARY, 2024

THE OFFICIAL GAZETTE 26TH JANUARY, 2024
LEGAL SUPPLEMENT — C

BILL No. 2 of 2024 *Friday 26th January, 2024*

PARLIAMENT OFFICE
Public Buildings,
Georgetown,
Guyana.

26th January, 2024.

The following Bill which will be introduced in the National Assembly is published for general information.

S.E. Isaacs,
Clerk of the National Assembly.

GUYANA

BILL No. 2 of 2024

FISCAL ENACTMENTS (AMENDMENT) BILL 2024

ARRANGEMENT OF SECTIONS

SECTION

1. Short title and commencement.
2. Amendment of section 8 of the Income Tax Act.
3. Amendment of section 16 of the Income Tax Act.
4. Amendment of section 20 of the Income Tax Act.
5. Amendment of section 36 of the Income Tax Act.
6. Amendment of section 36A of the Income Tax Act.
7. Amendment of section 60 of the Income Tax Act.
8. Amendment of Schedule I of the Value-Added Tax Act.
9. Amendment of Schedule II of the Value-Added Tax Act.
10. Amendment of the First Schedule to the Customs Act.
11. Amendment of section 19 of Natural Resource Funds Act.
12. Amendment of the First Schedule to the Natural Resource Act.
13. Amendment of section 3 of the External Loans Act.
14. Amendment of section 2 of the Public Loan Act.

A BILL

Intituled

AN ACT to amend the Income Tax Act, the Value-Added Tax Act, the Customs Act, the Natural Resource Fund Act, the External Loans Act and the Public Loan Act.

A.D. 2024 Enacted by the Parliament of Guyana:-

Short title and commencement.
Cap. 81:01
Cap. 81:05
Cap. 82:01
No. 19 of 2021
Cap.74:08
Cap. 74:13

1. (1) This Act, which amends the Income Tax Act, the Value-Added Tax Act, the Customs Act, the Natural Resource Fund Act 2021, the External Loans Act and the Public Loan Act may be cited as the Fiscal Enactments (Amendment) Act 2024.

(2) The amendments to the Income Tax Act shall be deemed to have come into operation with respect to and from the year of income commencing on 1st January, 2024.

(3) The amendments to the Customs Act and the Value-Added Tax Act shall be deemed to have come into operation on the 2nd February, 2024.

Amendment of section 8 of the Income Tax Act.
Cap: 81:01

2. Section 8 of the Income Tax Act is amended in subsections (1) and (4) by substituting for the words "one million, twenty thousand dollars" the words "one million, two hundred thousand dollars".

Amendment of section 16 of the Income Tax Act.
Cap. 81:01

3. Section 16(1)(l) of the Income Tax Act is amended by substituting for the words "three hundred and sixty thousand dollars" the words "six hundred thousand dollars".

Amendment of section 20 of the Income Tax Act. Cap. 81:01

4. Section 20 of the Income Tax Act is amended by substituting for the words "one million, twenty thousand dollars" the words "one million, two hundred thousand dollars".

Amendment of section 36 of the Income Tax Act. Cap. 81:01

5. Section 36 of the Income Tax Act is amended by substituting for the words "two million, forty thousand dollars" the words "two million, four hundred thousand dollars".

Amendment of section 36A of the Income Tax Act. Cap. 81:01

6. Section 36A of the Income Tax Act is amended by substituting for the words "two million, forty thousand dollars" the words "two million, four hundred thousand dollars".

Amendment of section 60 of the Income Tax Act. Cap. 81:01

7. Section 60(1)(a) of the Income Tax Act is amended by substituting for the words "one million, twenty thousand dollars" the words "one million, two hundred thousand dollars".

Amendment of Schedule I to the Value-Added Tax Act. Cap. 81:05

8. Schedule 1 to the Value-Added Tax Act is amended by inserting after paragraph 18, the following as paragraph 19-

"**MISCELLANEOUS**

19. Zero-rated for the purposes of section 17 is a supply of fire extinguishers and smoke alarms.".

Amendment of Schedule II to the Value-Added Tax Act. Cap. 81:05

9. Schedule II to the Value-Added Tax Act is amended as follows-

(a) in paragraph 5-

(i) by deleting in subparagraph (a), the word "and";

(ii) by substituting in subparagraph (b), the '.' for the words "; and"; and

(iii) by inserting the following as subparagraph (c)-

"(c) a supply of all other sports gear and equipment.";

(b) by substituting for paragraph 16, the following paragraph-

"16. Exempt for the purposes of section 18 are-

(i) supplies of mobile phones; and

(ii) a supply of essential cell phone accessories, such as chargers, charging cables, and headphones, along with phone components for repairs, as determined by the Commissioner-General.".

Amendment of the First Schedule to the Customs Act.
Cap. 82:01

10. Part III B (ii) of the First Schedule to the Customs Act is amended as follows-

(a) in item 11, by inserting immediately after the words "extinguishers" the words ", smoke alarms";

(b) in item 48, by inserting immediately after the word "gear" the words "and other equipment";

(c) by inserting after item 54, the following as item 55-

"55. Essential cell phone accessories, such as chargers, charging cables, and headphones, along with phone components for repairs, as determined by the Commissioner-General.".

Amendment of section 19 of the Natural Resource Fund Act.
No. 19 of 2021

11. Section 19 of the Natural Resource Fund Act is amended by inserting after subsection (3) the following new subsection-

"(4) Notwithstanding any approval granted by the National Assembly pursuant to this section and the provisions of sections 16, 17 and 18, where the First Schedule is amended, the amount previously approved for

withdrawal from the Fund for the financial year shall be deemed amended to the ceiling calculated in accordance with the amendments to the First Schedule.".

Amendment of the First Schedule to the Natural Resource Fund Act.
No. 19 of 2021

12. The First Schedule to the Natural Resource Fund Act is amended by substituting for the First Schedule the following-

"FIRST SCHEDULE

CALCULATING THE CEILING ON ANNUAL WITHDRAWALS

For any fiscal year, the ceiling on annual withdrawals from the Fund, not including withdrawals for emergency financing, shall be calculated as follows-

1. 100 percent of the first one billion United States Dollars of deposits paid into the Fund in the immediately preceding fiscal year;
2. 95 percent of the second one billion United States Dollars of deposits paid into the Fund in the immediately preceding fiscal year;
3. 90 percent of the third one billion United States Dollars of deposits paid into the Fund in the immediately preceding fiscal year;
4. 85 percent of the fourth one billion United States Dollars of deposits paid into the Fund in the immediately preceding fiscal year;
5. 50 percent of the fifth one billion United States Dollars of deposits paid into the Fund in the immediately preceding fiscal year; and
6. 10 percent of any amounts in excess of the first five billion United States Dollars of deposits paid into the Fund in the immediately preceding fiscal year:

Provided that, if at any time of submission of the annual budget proposal to the National Assembly for a fiscal year, the actual amount of deposits paid into the Fund in the immediately preceding year is not yet available, the best estimate of that amount shall be submitted.".

Amendment of section 3 of the External Loans Act. Cap. 74:08

13. Section 3 (1) of the External Loans Act is amended by substituting for the words "nine hundred billion dollars" the words "one trillion five hundred billion dollars".

Amendment of section 2 of the Public Loan Act. Cap. 74:13

14. Section 2 (1) of the Public Loan Act is amended by substituting for the words "seven hundred and fifty billion dollars" the words "one trillion five hundred billion dollars".

EXPLANATORY MEMORANDUM

This Bill seeks to amend the Income Tax Act, the Value-Added Tax Act, the Customs Act, the Natural Resource Fund Act, the External Loans Act and the Public Loan Act.

The amendments to **sections 8, 20, 36, 36A and 60 of the Income Tax Act** seek to increase the Income Tax threshold from one million, twenty thousand dollars to one million, two hundred thousand dollars.

The amendment to **section 16 of the Income Tax Act** seeks to encourage citizens to obtain life and medical insurance policies.

The amendments to **Schedules I and II of the Value-Added Tax Act** and the **First Schedule to the Customs Act** seek to remove value-added tax and customs duty on sports equipment and essential cell phone accessories in an effort to further promote access to sports and technology. The amendments also seek to remove value-added tax on fire extinguishers and smoke alarms. Further, these amendments also seek to remove customs duty on smoke alarms. Collectively, these amendments are aimed to promote household fire prevention capabilities of the citizens of Guyana.

This Bill also seeks to amend **section 19 of the Natural Resource Fund Act** by inserting a new subsection (4) to provide for instances where the First Schedule is amended after the National Assembly has granted approval to withdraw a sum of money based on the calculation in the First Schedule.

The effect of this amendment is that if the First Schedule is amended then the amount previously approved for withdrawal from the Fund for the financial year shall be deemed amended based on the ceiling calculated in accordance with any amendments to the First Schedule.

Additionally, this Bill amends the First Schedule to the Natural Resource Fund Act by substituting the current Schedule for a new one.

Further, the Bill seeks to amend the External Loans Act by increasing the limit prescribed by section 3(1) of the Act from nine hundred billion dollars to one trillion five hundred billion dollars.

Finally, this Bill amends section 2(1) of the Public Loan Act to increase the limit from seven hundred and fifty billion dollars to one trillion five hundred billion dollars.



Hon. Dr. Ashni K. Singh, M.P.

Senior Minister in the Office of the President

with Responsibility for Finance and the Public Service