



Guidelines to Request a Certificate of Tax Exemption (CTE) for Non-Included Entities

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Table of Contents

1.	DEFINITIONS.....	3
2.	INTRODUCTION	3
3.	PURPOSE	5
4.	APPLICABILITY.....	5
5.	GUIDELINES TO APPLY FOR A CERTIFICATE OF TAX EXEMPTION FOR NON- INCLUDED ENTITIES	6
6.	DETERMINATION OF THE ELIGIBILITY FOR A CERTIFICATE OF TAX EXEMPTION ...	7
7.	ISSUANCE OF THE CTE BY BTS.....	7
8.	ANNEX.....	9
	8.1 Annex 1: Form E – Non-Included Entity Applying for a Certificate of Tax Exemption.	9

1. DEFINITIONS

- Non-included entity: An entity that is not performing a relevant activity pursuant to the Economic Substance Act, 2020.
- Tax residency: The jurisdiction in which a business company is resident for tax purposes.
- UBO: Ultimate beneficial owner refers to the natural person(s) who ultimately owns or controls a customer and/or the natural person on whose behalf a transaction is being conducted. It also includes those persons who exercise ultimate effective control over a legal person or arrangement.

2. INTRODUCTION

These Guidelines to Request a Certificate of Tax Exemption (CTE) for Non-Included Entities have been drafted by the Financial Services Commission (the “FSC”).

The Belize Companies Act, 2022 (the “Act”) coming fully into force on 28th November 2022, repealed both the International Business Companies Act, Chapter 270 of the Substantive Laws of Belize, Revised Edition 2020 and the Companies Act, Chapter 250 of the Substantive Laws of Belize, Revised Edition 2020. Therefore, both the International Business Companies Act and the Companies Act no longer have any legal effect.

Furthermore, consequential amendments within the Act provides for reference to “International Business Companies” and “International Business Companies Act” in any other enactment in force prior to the commencement of the Belize Companies Act, to be deemed to be reference to “Companies” and “Belize Companies Act”. There is now one consolidated legislation being the Belize Companies Act, which covers all companies within Belize.

In the circumstance, the existing **Guidelines to Request a Certificate of Tax Exemption for Non-Included IBCs** is now replaced by these **Guidelines to Request a Certificate of Tax Exemption (CTE) for Non-Included Entities (the “Guidelines”)**.

Furthermore, the Commission continues to seek innovative ways to make the request for a CTE more user friendly and adaptable for the industry and therefore outlines within these Guidelines the new process to request a CTE. This new process will also remove duplication of efforts where the Registered Agent uploads the request for a CTE into the Online Business Registry System (OBRS).

Registered Agents are also guided that the former Annual Confirmation of Tax Exemption for International Business Companies without Economic Substance and Form E were merged into one form, the updated Form E (**See Annex 1**).

Where a company falls within the scope of a non-included entity, the company must fill out Form E declaring its ultimate beneficial owners (UBO) and that it is a non-included entity and route the Form E to its Registered Agent who will in turn submit it to the FSC via OBRS. These Guidelines also outlines the requirement for proof of taxes being filed in another jurisdiction, to be submitted to the Belize Tax Service (BTS).

The end result will be that the non-included entity, once it meets eligibility for a CTE and provides the BTS with acceptable proof of taxes being paid in another jurisdiction other than a blacklisted jurisdiction, will qualify for a CTE, which is to be issued by the BTS, to the Registered Agent.

3. PURPOSE

3.1 These Guidelines provide non-included entities and Registered Agents with the guidance, requirements and steps to be taken where a non-included entity wishes to apply for a CTE.

4. APPLICABILITY

4.1 These Guidelines apply to:

- Companies which fall under the scope of being a non-included entity.

The company must meet the following criteria:

- The company is a non-included entity pursuant to the Economic Substance Act.
- The company must be in good standing with the Belize Companies and Corporate Affairs Registry (BCCAR).
- The company is tax resident in another jurisdiction other than a blacklisted jurisdiction.
- The business entity has no central management and control of the Company in Belize
- The business entity has no permanent establishment or relevant activities in Belize.
- The business entity has no UBO's resident in Belize.
- The business company has met the conditions under Section 106 of the Income and Business Tax (Amendment) Act, 2019 (No. 25 of 2019).
- The company has obtained a TIN number in Belize from the BTS.

5. GUIDELINES TO APPLY FOR A CERTIFICATE OF TAX EXEMPTION FOR NON-INCLUDED ENTITIES

5.1 [Form E](#) (the “Form”) is published on the FSC’s website under **Library, Checklist & Forms** and is accessible to all non-included entities and Registered Agents.

5.2 The Form must be completed by non-included entities and routed through their respective Registered Agent for submission to the FSC via the OBRS. All non-included entities are required to be registered or re-registered as a company with the BCCAR via OBRS subsequent to November 28, 2022, for an application for a CTE to be considered.

5.3 Reference to UBO on the Form E is in relation to the natural person who owns the company. Names of natural persons are to be listed and *not* a company name.

5.4 Companies owe a duty of care to ensure that all official documents are signed by its legally approved personnel. Failure to comply with this requirement may result in a sanction being imposed on the company as per section 33.(1) of the Financial Services Commission Act.

5.5 Where the director is a corporate entity and is incorporated outside of Belize, the corporate documents must also be uploaded to the OBRS (i.e., Articles and Memorandum of Association/Bylaws and the Certificate of Incorporation).

5.6 Registered Agents must log into OBRS and select the option to apply for a CTE under the company services menu.

5.7 Application must be completed by uploading to the OBRS, the Form E and the documents identified in 5.5. Individual applications must be completed for each CTE being requested, and only the Revised Form E as per Annex 1 of these Guidelines will be accepted for processing of an application.

5.8 Upon completion of the application, an invoice will be generated for payment of an application fee of US\$60.00 per application. Registered Agents are then required to select the option to pay the fee, following which the fee will be automatically deducted from the Registered Agent’s account with the Belize Companies and Corporate Affairs Registry,

and the request submitted for processing.

6. DETERMINATION OF THE ELIGIBILITY FOR A CERTIFICATE OF TAX EXEMPTION

6.1 For the FSC to determine whether the non-included entity is eligible for a CTE, the Registered Agent must upload the Form E to OBRS and the non-included entity must meet the criteria set out under 4.1 and where applicable, 5.5 of these Guidelines.

6.2 The Registered Agent will be notified *via* OBRS, within a period not exceeding ten (10) business days from the date of receipt of the Form E, whether the non-included entity is eligible for a CTE.

7. ISSUANCE OF THE CTE BY BTS

7.1 All non-included entities requesting a CTE, are required to have a Tax Identification Number issued by the BTS.

7.2 Upon receipt of notification of eligibility for CTE, the Registered Agent must submit to BTS, proof that taxes are being filed in another jurisdiction. Proof should be a letter or certificate-

(a) from or issued by the tax authority of the jurisdiction of residence, stating that the non-included entity is considered to be resident for tax purposes in that jurisdiction.

(b) showing a clear and specific period of validity; and

(c) showing an assessment of tax on the non-included entity, a confirmation of self-assessment of tax, a tax demand, evidence of payment of tax, or any other equivalent document issued by the tax authority for the jurisdiction in question.”

- 7.3** The proof that taxes are being filed in another jurisdiction must be submitted to BTS via a drop box. Registered Agents are required to create a drop box, upload the proof to the drop box and provide the email address internationalcompliance@bts.gov.bz with access to the drop box.

BTS to review both proof that taxes are being filed in another jurisdiction and confirmation in OBRS that the non-included entity is eligible for a CTE. Based on the review, the request for a CTE is to be approved or declined by BTS. Where issuance of CTE is approved, BTS will prepare the CTE and send an email to the Registered Agent, notifying them that the CTE has been processed. The Registered Agent or their representative will be required to pay a fee of BZ\$100.00 and pick up the CTE at the BTS office.

- 7.4** Where issuance of CTE is declined. BTS will notify the Registered Agent by email.

8. ANNEX

8.1 Annex 1: Form E – Non-Included Entity Applying for a Certificate of Tax Exemption.

Reset Form



FORM E

NON-INCLUDED ENTITIES

Instructions

1. This Form must be completed by **Non-included Entities applying for a Certificate of Tax Exemption** from the Belize Tax Services. This Form must be routed through the respective registered agent for submission to the Commission via the Online Business Registry System (OBRS).
2. Complete all sections and where necessary, attach additional supporting documentation along with this Form where the director is a corporate entity and is incorporated outside of Belize. The additional supporting documentation will be the corporate documents (i.e. Articles and Memorandum of Association/Bylaws and the Certificate of Incorporation).
3. Form E must be completed and signed either by a director (that is not nominee) or by a majority shareholder.
4. Queries in respect to the submission of this Form must be submitted via email address, economicsubstanceforms@belizefsc.org.bz.

Name of Non-Included Entity: _____

Filing Year: 2022

CORPORATE DIRECTOR: *Where the director is a corporate entity and is incorporated outside of Belize, supply the corporate documents (i.e., Articles of Association & Bylaws, and the Certificate of Incorporation).*

DETAILS OF ULTIMATE BENEFICIAL OWNERS (UBOs): Please provide the ultimate beneficial owner(s) information in the below table.

ULTIMATE BENEFICIAL OWNER(S)			
(Make an entry in respect of every UBO)			
Name	Address	Jurisdiction of Tax Residence	Authorized Shares Issued

CERTIFICATION OF THE NON-INCLUDED ENTITY must be completed and signed either by a director (that is not a nominee) or by a majority shareholder.

In compliance with the provisions of Section 106 of the Income and Business Tax Act and the Economic Substance Act, 2020 of Belize, **I DO HEREBY SOLEMNLY DECLARE** that:

1. The Company is in good standing,
2. There is no central management and control of the Company in Belize,
3. The Company has no permanent establishment (PE) or relevant activities in Belize, and
4. There are no beneficial owners' resident in Belize.

I certify that the particulars set out in this Form are true and correct to the best of my knowledge, information, and belief.

Signature

Date

Print Name

Title