



BARBADOS REVENUE AUTHORITY

Sixth Floor, Treasury Building, Bridge Street, Bridgetown, Barbados, BB 11129
Tel: 246 - 430-3101 | Fax: 246-436-3238 | Email: bramail@bra.gov.bb

POLICY NOTE

PPG No. 003/2017

National Social Responsibility Levy (the Levy or NSRL)

Budgetary Proposals 2017

The Minister of Finance and Economic Affairs during the Financial Statement and Budgetary Proposal of May 30, 2017, stated:

“... I now propose that effective July 01, 2017, the rate for the NSRL will move from 2% to 10%...”

To give effect to the Minister’s proposal, the Barbados Revenue Authority (“the Authority”) advises that:

New Applicable Rate

1. The Levy will be increased from 2 percent to 10 percent effective July 01, 2017.
2. The Levy will be applied to all imports at the border and to local/domestic production.

Conditions re: Imports

3. The Levy will be imposed on goods imported into Barbados before waivers are given. Any waivers will be at the discretion of the Minister of Finance and Economic Affairs.
4. The Levy will be imposed on the customs value (CIF) of imported goods.

5. The National Social Responsibility Levy will **not** apply to exports.

Conditions re: Local/domestic production

6. The Levy will be imposed **on** goods manufactured or produced in Barbados by a registrant.

7. The levy will be placed on the production cost of goods manufactured or produced in Barbados.

8. Value Added Tax (VAT) will be calculated inclusive of the levy.

9. The Levy **must not be shown** on invoices or receipts.

10. Domestic Manufacturers and Producers who are VAT registered are required to file and pay the National Social Responsibility Levy.

Exemptions

11. No Levy is payable on goods which are manufactured or produced in Barbados which are sold by the manufacturer or producer to another manufacturer or producer in Barbados.

12. No Levy is payable on goods imported by the tourism sector (within the meaning of the Tourism Development Act) where the goods are exempted from the payment of import duty under any enactment, subject to the terms and conditions specified in the enactment.

13. No Levy is payable on goods imported to be used as part of a production process by the manufacturing and agriculture sectors who benefit from the Fiscal Incentives Act or any enactment which exempts the goods from import duties. However, goods which are imported by these sectors for resale will be subject to the levy.

14. No levy is payable where goods are supplied to or imported by

a. A Diplomatic mission, consulate or international organization;

- b. A member of the diplomatic or consulate service or a member of his family forming part of his household; or
- c. Any other person entitled to be exempt from duties and taxes pursuant to the *Diplomatic Immunities and Privileges Act*, Cap. 18.

15.No Levy is payable on kerosene which is imported for use as aviation fuel.

16.No Levy is payable on Heavy Fuel Oil (Bunker C).

17.No Levy is payable on the food items listed in paragraph 20 of the First Schedule of the Value Added Tax Act, Cap. 87. The last approved list of zero rated food items is attached.

Administration

18.The Levy will be administered through the VAT and Excise Tax Administration system (VETAS) where it is imposed on locally manufactured or produced goods.

19.Persons will be required to file a '*National Social Responsibility Levy Return*' which will be due at the same time as their VAT return.

20.Persons must register for the NSRL obligation in VETAS by using the following steps:

1. Select "TPS (Taxpayer Services)"
2. Select "Registration Update"
3. Select "Obligations"
4. Select "NSRL"
5. Save and Continue
6. Review and Commit
7. Confirm

21.The return must be filed indicating the production cost of the finished goods for the period and the NSRL payable. The domestic sales for the

period must also be reported on the return. A copy of the ‘NSRL Return 104-2’ is attached for ease of reference.

22.Payment must be made 21 days after the end of the relevant period which will be tied to the due dates for VAT.

Penalties

23.Penalties will be applied as follows:

- i. 10% penalty for late payment.
- ii. Interest at the rate of 1% per month, calculated for each month or part of a month during which any amount of the levy and penalty remains unpaid on the largest amount of the levy and penalty that was due and unpaid at any time in the month.
- iii. The penalty for late filing is \$100.00.

Policy Planning and Governance
Barbados Revenue Authority
June 30, 2017

Appendix
Value Added Tax Act, Cap. 87
First Schedule

20. A supply of the following food items:

| TARIFF NUMBER | DESCRIPTION |
|----------------------|---|
| 02.01 | Meat of bovine animals, fresh or chilled |
| 0201.30.30 | Minced (ground) |
| 02.02 | Meat of bovine animals, frozen |
| 0202.30.30 | Minced (ground) |
| 02.03 | Meat of swine fresh, chilled or frozen |
| 0203.11.00 | Carcasses and half carcasses |
| 0203.19.00 | other cuts with bone in, fresh or chilled (shoulders and other cuts , not ribs and ham) |
| 0203.21.00 | Carcasses and half carcasses |
| 0203.29.00.100 | Other cuts frozen (shoulders and other cuts, not ribs and ham) |
| 02.04 | Meat of sheep or goats, fresh, chilled or frozen |
| | Other meat of sheep, fresh or chilled: |
| 0204.22.00 | Other cuts with bone in |
| 0204.23.00 | Boneless |
| | Other meat of sheep, frozen: |
| 0204.42.00 | Other cuts with bone in |
| 0204.43.00 | Boneless |
| 0204.50.00 | Meat of goats (fresh, chilled or frozen) |

02.06**Edible offal of bovine animals, swine, sheep, goats, horses, asses, mules or hinnies, fresh, chilled or frozen**

Of bovine animals, frozen:

0206.21.00 Tongues

0206.22.00 Livers

0206.29.00 Other

Of swine frozen:

0206.41.00 Livers

0206.49.10 Pig trotters

0206.49.90 Other

02.07**Meat and edible offal of poultry of the Heading 01.05, fresh, chilled or frozen**

Of fowls of species Gallus Domesticus:

0207.11.00 Not cut in pieces, fresh or chilled

0207.12.00 Not cut in pieces, frozen

0207.13.00.100 Cuts, fresh or chilled

0207.14.00 Cuts and offal, frozen

0207.14.10 Backs and necks

0207.14.20 Wings

0207.14.30 Livers

0207.14.90.100 Other cuts, frozen

0207.24.00 Not cut in pieces, fresh or chilled

0207.25.00 Not cut in pieces, frozen

0207.26.00 Cuts and offal, fresh or chilled

0207.27.00 Cuts and offal, frozen

0207.27.10.100 Wings

0207.27.10.100 Wings of turkeys

Fish, fresh or chilled, excluding fish fillets and other fish meat of Heading No: 03.04**03.02**

0302.32.90.100 Yellowfin tuna fresh or chilled

0302.40.00 Herrings (*Cluppea harengus*, *Clupea pallasii*) excluding livers and roes:

0302.40.90 Other

| | |
|-------------------|---|
| 0302.50.00 | Cod (<i>Gadus morhua</i>, <i>Gadus ogac</i>, <i>Gadus macrocephalus</i>), excluding liver roes: |
| 0302.50.90 | Other |
| 0302.61.00 | Sardines (<i>Sardina pilchardus</i> , <i>Sardinops</i> spp., sardinella (<i>Sardineella</i> spp.), bristling or sprats (<i>Sprattus sprattus</i>) |
| 0302.61.90 | Other |
| 0302.62.00 | Haddock (<i>Melanogrammus aeglefinus</i>): |
| 0302.62.90 | Other |
| 0302.64.00 | Mackerel (<i>Scomber scombrus</i>, <i>Scomber australasicus</i>, <i>Scomber japonicas</i>): |
| 0302.64.90 | Other |
| 0302.69.20.100 | Dolphin (<i>Coryphaena hippurus</i>) |
| 0302.69.20.200 | Dolphin, fresh or chilled |
| 0302.69.90.10 | Marlin, sailfish, spearfish, fresh or chilled |
| | Kingfish, swordfish fresh or chilled |
| | Swordfish (Marlin, sailfish, spearfish) fresh or chilled |
| | |
| 03.03 | Fish, frozen, excluding fish fillets and other fish meat of Heading No: 03.04 |
| 0303.42.90.100 | Yellowfin tunas frozen |
| 0303.42.90.900 | Other yellowfin tunas frozen |
| 0303.79.20.100 | Dolphin (<i>Coryphaena hippurus</i>) |
| 0303.79.30 | Flying fish |
| 0303.79.90.100 | Kingfish (<i>Acanathocybium solandri</i>), Blue marlin (<i>Makaira nigricans</i>), White marlin (<i>Tetrapturus albidus</i>), Atlantic sailfish (<i>Isotiophorus Albicans</i>), Longbill spearfish (<i>Tetrapturus pfluegeri</i>) |
| | |
| 03.04 | Fish fillets and other fish meat (whether or not minced), fresh, chilled or frozen |
| | Fresh or chilled |
| 0304.19.90.100 | Fillets of Dolphin (<i>Coryphaena hippurus</i>) |
| 0304.19.90.200 | King fish (<i>Acanathocybium solandri</i>), Blue marlin (<i>Makaira nigricans</i>), White marlin (<i>Tetrapturus albidus</i>), |

| | |
|-------------------|---|
| | Atlantic sailfish (<i>Isotiophorus Albicans</i>), Longbill spearfish (<i>Tetrapturus pfluegeri</i>) |
| 0304.19.90.300 | Fillet of yellowfin tunas (<i>Thunnus albacares</i>) |
| 0304.29.10 | Fillet of flying fish, frozen |
| 0304.29.90.100 | Fillet of dolphin (<i>Coryphaena hippurus</i>), frozen |
| 0304.29.90.200 | Kingfish (<i>Acanathocybium solandri</i>), Blue marlin (<i>Makaira nigricans</i>), White marlin (<i>Tetrapturus albidus</i>), Atlantic sailfish (<i>Isotiophorus Albicans</i>), Longbill spearfish (<i>Tetrapturus pfluegeri</i>) |
| 0304.29.90.300 | Fillet of yellowfin tunas (<i>Thunnus albacares</i>) |
| 03.05 | Fish, dried, salted or in brine; smoked fish, whether or not cooked before or during the smoking process; flours, meals and pellets of fish, fit for human consumption. |
| | Dried fish, whether or not salted but not smoked: |
| 0305.51.00 | Cod (<i>Gadus morhua</i> , <i>Gadus ogac</i> , <i>Gadus macrocephalus</i>) |
| 0305.59.10 | Mackerel |
| 0305.59.20 | Herring, alewives, saithe, pollock, haddock and hake |
| 0305.59.90 | Other |
| 04.01 | Milk, not concentrated nor containing added sugar or other sweetening matter. |
| 0401.10.00 | Of a fat content, by weight, not exceeding 1% |
| 0401.20.00 | Of a fat content, by weight, exceeding 1% but not exceeding 6% |
| 04.02 | Milk and cream, concentrated or containing added sugar or other sweetening matter. |
| 0402.91.00 | Not containing added sugar or other sweetening matter (evaporated milk) |
| 0402.99.10 | Condensed milk |
| 04.06 | Cheese and curd. |
| 0406.10.00 | Fresh (unripened or uncured) cheese, including whey cheese, and curd |
| 0406.30.00 | Processed cheese, not grated or powdered |
| 0406.90.00.100 | Cheddar cheese |
| 0407.00 | Birds' eggs in shell, fresh, preserved or cooked |

0407.00.30.000 Other, fresh eggs

FRESH CHILLED OR FROZEN VEGETABLES

07.01 Potatoes, fresh or chilled

0701.90.00 Other

0702.00.00 Tomatoes, fresh or chilled

07.03 Onions, shallots, garlic, leeks and other *alliaceous* vegetables, fresh or chilled

0703.10.10 Onions

0703.10.20 Shallots (eschallots)

0703.20.00 Garlic

07.04 Cabbages, cauliflowers, kohlrabi, kale and similar edible brassicas, fresh or chilled

0704.10.00 Cauliflowers and headed broccoli:

0704.10.10 Cauliflowers

0704.10.90 Other

0704.90.10 Cabbage

0704.90.90 Other

| | |
|--------------|---|
| 07.05 | Lettuce (<i>latuca sativa</i>) and chicory (<i>Chichorium spp</i>), fresh or chilled |
| | Lettuce: |
| 0705.11.00 | Cabbage lettuce (head lettuce) |
| 0705.19.00 | Other |
| | Chicory: |
| 0705.29.00 | Other |
| 07.06 | Carrots, turnips, salad beetroot, salsify, celeriac, radishes and similar edible roots, fresh or chilled |
| 0706.10.00 | Carrots and turnips: |
| 0706.10.10 | Carrots |
| 0706.10.90 | Other |
| 0706.90.10 | Beets |
| 0706.90.90 | Other |
| 07.07 | Cucumbers and gherkins, fresh or chilled |
| 0707.00.10 | Cucumbers |
| 07.08 | Leguminous vegetables, shelled or unshelled, fresh or chilled |
| 0708.10.00 | Peas (<i>Pisum Sativum</i>): |
| 0708.10.20 | Blackeye peas |
| 0708.10.90 | Other |
| 0708.20.10 | String beans |
| 0708.20.20 | Bora (<i>bodi</i>) beans (<i>Vigna spp.</i>) |
| 0708.20.90 | Other |
| 07.09 | Other vegetables, fresh or chilled |
| 0709.30.00 | Aubergines (egg-plants) |
| 0709.40.00 | Celery other celeriac |
| | mushrooms and truffles: |
| 0709.60.00 | Fruits of the genus <i>Capsicum</i> or of the genus <i>Pimenta</i> : |
| 0709.60.10 | Sweet peppers |
| 0709.60.90 | Other |

| | |
|---------------|---|
| 0709.70.00 | Spinach, New Zealand spinach and orache spinach (garden spinach) |
| 0709.90.10 | Zucchini |
| 0709.90.20 | Ochroes |
| 0709.90.30 | Pumpkins |
| 0709.90.40 | Sweet corn (corn on the cob) |
| 0709.90.90 | Other |
| 07.10 | Vegetables (uncooked or cooked by steaming or boiling in water), frozen |
| 0710.40.90.00 | Other (sweet corn) |
| 0710.80.20 | Beets, other |
| 0710.80.40 | Carrots, other |
| 07.13 | Dried leguminous vegetables, shelled whether or not skinned or split |
| 0713.10.10 | Pigeon peas |
| 0713.10.20 | Split peas |
| 0713.10.30 | Blackeye peas |
| 0713.10.90 | Other peas |
| 0713.20.00 | Chickpeas (garbanzos) |
| 0713.31.00 | Beans of the species <i>Vigna mungo</i> (L.) Hepper or <i>Vigna radiata</i> (L.) Wilczek |
| 0713.32.00 | Small red (<i>adzuki</i>) beans (<i>Phaseolus</i> or <i>vigna angularis</i>) |
| 0713.33.00 | Kidney beans, including white pea beans (<i>Phaseolus vulgaris</i>) |
| 0713.33.10 | Red kidney beans |
| 0713.33.90 | Other |
| 0713.39.00 | Other |
| 0713.40.00 | Lentils |
| 0713.50.00 | Broad Beans (<i>Vicia faba var. major</i>) and horse beans (<i>Vicia faba var. Equina</i> , <i>Vicia faba var. minor</i>) |
| 0713.90.90 | Other: |

GROUND PROVISIONS

| | |
|----------------|--|
| 07.14 | Manioc, arrowroot, salep, Jerusalem artichokes, sweet potatoes and similar roots and tubers with high starch or insulin content, fresh or dried, whether or not sliced or in the form of pellets; sago pith |
| 0714.10.00.100 | Manioc (cassava), fresh or chilled |

| | |
|----------------|----------------------------------|
| 0714.20.00.100 | Sweet potatoes, fresh or chilled |
| 0714.90.20.100 | Dasheens, fresh or chilled |
| 0714.90.30.100 | Eddoes, fresh or chilled |
| 0714.90.40.100 | Tannias, fresh or chilled |
| 0714.90.50.100 | Yams, fresh or chilled |
| 0714.90.90 | Other, fresh or chilled: |

FRESH FRUITS

08.01 Coconuts, Brazil nuts and cashew nuts, fresh or dried, whether or not shelled or peeled

Coconut:

| | |
|----------------|-------------------|
| 0801.11.00.100 | Desiccated, fresh |
| 0801.19.10.100 | In shell, fresh |

08.02 Other nuts, fresh or dried, whether or not shelled or peeled

Almonds:

| | |
|----------------|-----------------|
| 0802.11.00.100 | In shell, fresh |
| 0802.12.00.100 | Shelled, fresh |

08.03 Bananas, including plantains, fresh or dried

| | |
|------------|-------------------|
| 0803.00.10 | Bananas (fresh) |
| 0803.00.20 | Plantains (fresh) |

08.04 Dates, figs, pineapples, avocados, guavas, mangoes and mangosteens, fresh

| | |
|----------------|--------------------|
| 0804.30.00.100 | Pineapples (fresh) |
| 0804.40.00.100 | Avocados (fresh) |
| 0804.50.10.100 | Guavas, fresh |
| 0804.50.20.100 | Mangoes, fresh |

08.05 Citrus Fruit, fresh or dried

| | |
|----------------|--------------------------------------|
| 0805.10.00.100 | Oranges, fresh |
| 0805.20.20.100 | Ortaniques (fresh) |
| 0805.20.90.100 | Other, fresh |
| 0805.40.00.100 | Grapefruit, including pomelos, fresh |
| 0805.50.10.100 | Lemons, fresh |
| 0805.50.20.100 | Limes, fresh |

| | |
|--------------|--|
| 08.06 | Grapes, fresh or dried. |
| 0806.10.00 | Grapes, fresh |
| 08.07 | Melons (including watermelons) and papaw (papayas), fresh. |
| | Melons (including watermelons): |
| 0807.11.00 | Watermelons, fresh |
| 0807.19.00 | Other: |
| 0807.19.10 | Cantaloupes |
| 0807.20.00 | Papaws (papayas) |
| 08.08 | Apples, Pears and Quinces, fresh |
| 0808.10.00 | Apples |
| 0808.20.100 | Pears |
| 08.09 | Apricots, cherries, peaches (including nectarines), plums and sloes, fresh. |
| 0809.40.100 | Plums and sloes, fresh |
| 08.10 | Other fruit, fresh. |
| 0810.10.00 | strawberries |
| 0810.20.00 | Raspberries |
| 0810.20.00 | Blackberries |
| 0810.40.00 | Blueberries |
| 0810.50.00 | Kiwifruit |
| 0810.90.30 | Passion fruit |
| 0810.90.40 | Soursop |
| 0810.90.50 | Breadfruit |
| 0810.90.80 | Christophine (Choyote) |
| 10.06 | RICE |
| 1006.20.00 | Husked (Brown) Rice |
| 1006.20.30 | Parboiled Rice, in Packages for Retail Sale |
| 1006.20.40 | Other Parboiled Rice |
| 1006.30.00 | Semi-milled or wholly milled rice, whether or not polished or glazed: |
| 1006.30.10 | Semi-milled White Rice in Packages of not more than 10 kg. |
| 1006.30.30 | Semi-milled Parboiled Rice in Packages of not more than 10 kg. |

| | |
|----------------|---|
| 1006.30.50 | Wholly milled White Rice, in Packages of not more than 10 kg |
| 1006.30.70 | Wholly milled parboiled Rice, in Packages of not more than 10 kg |
| 1101.00 | Wheat or Meslin flour. |
| 1101.00.10 | Of durum wheat |
| 1101.00.90.100 | Other Wheat flour |
| 1101.00.90.900 | Meslin flour |
| 11.02 | Cereal flours other than of wheat or meslin. |
| 1102.20.00 | Maize (Corn) flour |
| 11.03 | Cereal groats, meal and pellets. |
| 1103.13.00 | Of maize (corn) |
| 15.07 | Soya-Bean Oil and its fractions, whether or not refined, but not chemically modified. |
| 1507.90.00 | Soya bean oil (excluding crude oil, and its fractions) |
| 15.15 | Other fixed vegetable fats and oils (including jojoba oil) and their fractions, whether or not refined, but not chemically modified. |
| 1515.29.00.100 | Maize (corn) oil and its fractions |
| 15.17 | Margarine; edible mixtures or preparations of animal or vegetable fats or oils or of fractions of different fats or oils of this chapter other than edible fats or oils or their fractions of Heading 15.16. |
| 1517.10.00.000 | Margarine, excluding liquid margarine |
| 16.02 | Luncheon Meat Other prepared or preserved meat, meat offal or blood |
| 1602.39.00.100 | Luncheon Meat |
| 1602.49.00 | Luncheon meat, swine |
| 1602.50.10 | Canned corned beef |
| 1602.50.90.200 | Lunchmeat, bovine |

| | |
|----------------|---|
| 16.04 | Prepared or preserved fish; caviar and caviar substitutes prepared from fish eggs Fish, whole or in pieces, but not minced: |
| 1604.13.10 | Sardines |
| 1604.14.10 | Tunas |
| 1604.15.00 | Mackerel |
| 17.01 | Cane or beet sugar and chemically pure sucrose, in solid form. Raw sugar not containing added flavouring or colouring: |
| 1701.11.00 | Cane Sugar |
| 19.01 | Malt extract food preparations of flour, groats, meal, starch or malt extract, not containing cocoa or containing less than 40% by weight of cocoa calculated on a totally defatted basis, not elsewhere specified or included; food preparations of goods of headings 04.01 to 04.04, not containing cocoa or containing less than 5% by weight of cocoa calculated on a totally defatted basis, not elsewhere specified or included. |
| 1901.10.00.100 | Preparations of infant use, put up for retail sale (milk and soya bean flour base) |
| 19.02 | Pasta, whether or not cooked or stuffed (with meat or other substances) or otherwise prepared, such as spaghetti, macaroni, noodles, lasagne, gnocchi, ravioli, cannelloni; couscous, whether or not prepared. Uncooked pasta, not stuffed or otherwise prepared: |
| 1902.11.00 | Containing eggs |
| 1902.19.00 | Other |
| 1902.19.00.100 | Macaroni, spaghetti and elbows |
| 1902.19.00.200 | Chow mein |
| 1902.19.00.900 | Other |
| 19.05 | Bread, pastry, cakes, biscuits and other bakers' wares, whether or not containing cocoa; communion wafers, empty cachets of a kind suitable for pharmaceutical use, sealing wafers, rice paper and similar products. |
| 1905.32.10 | Communion wafers, empty cachets of a kind suitable for pharmaceutical use |
| 1905.32.20.900 | Rice paper and similar products |
| 1905.90.10.100 | Biscuits unsweetened |
| 1905.90.90.100 | Other bread unsweetened (e.g. sandwich loaves, hotdog rolls and hamburger buns) |
| 22.02 | Waters, including mineral waters and aerated waters, containing added sugar or other sweetening matter or flavoured, and other non-alcoholic beverages, not including fruit or vegetable juices of heading 20.09 |

2202.90.90.100 Flavoured milk

2501.00 Salt (including table salt and denatured salt) and pure sodium chloride, whether or not in aqueous solution or containing added anti-caking or free flowing agents; sea water.

2501.00.10 Table salt in retail packages of not more than 2.5 kg

2501.00.20 Other table salt