

Newsletter Date
November 11, 2009

Incentives for Agro-Business and Farmers



Raw Material Duty Concession

Agro-industries are granted an exemption from payment of the Common External Tariff (CET), as well as the additional stamp duty on raw material imports. The raw material schedule is listed in the General Consumption Tax 1991 (Act 110). The clause governing this incentive is listed in section 39, sub-section (A) and (B).

Manufacturers can only benefit from duty concession if the raw material is unavailable in sufficient quantities locally.

Duty Waiver on Refined Sugar (Granulated Sugar)

Since late 1999 there has been an increase in the cost of imported refined sugar due to an imposition of additional stamp duty and the Common External Tariff (CET). As a result, certain manufacturers are beneficiaries of stamp duty waivers under the raw material schedule.

All manufacturers must be registered by the Trade Board and subsequently obtain a license to import the refined sugar, prior to a submission to

the Ministry of Agriculture & Fisheries, Marketing & Credit Division for duty waivers.



Income Tax Relief/Approved Farmer Status

Under section 36 (d), sub-section (1) of the Income tax Act No. 21 of 1982, farmers/farming enterprises engaged in prescribed agricultural activities are eligible for exemption from payment of taxes on profits derived from selected farming enterprises.

This exemption remains effective for a period of ten years commencing from the date the farmer/farming enterprises is gazetted in an issue of the Jamaica Gazette (extensions of up to ten years may be granted).



Remission of Duties on Agricultural Vehicles

The Government of Jamaica offers twenty percent (20%) concessionary duty rate to farmers/farming enterprises who can prove to the Ministry of Agriculture & Fisheries that they are importing a vehicle which is complementary to their farming activities.

Vehicles regarded as farm vehicles and eligible for the concessionary duty rate are:

- Panel vans and pickups
- Trucks
- Tractors and trailers

FOR FURTHER DETAILS CONTACT:

Ministry of Agriculture,
Marketing and Credit Division
Hope Gardens, Kingston 6
Tel: 927-1731-50
Fax: 927-1792
Email: marketing@moa.gov.jm
pdlyttle@moa.gov.jm



Remission of Duties on Agricultural Equipment, Machinery and Products

Farmers/farming enterprises are exempt from paying General Consumption Tax (GCT) on certain items.

There is also an exemption or significant reduction of customs duties on agricultural machinery, equipment and inputs under the Customs Act.