

BERMUDA

TOURISM INVESTMENT (BERMUDIANA BEACH RESORT) ORDER 2018

BR / 2018

WHEREAS the Bermuda Housing Corporation has submitted an application dated 1 November 2018 on behalf of its wholly owned subsidiary Bermudiana Development Company Limited for a tourism investment order under section 3 of the Tourism Investment Act 2017, as applied by section 13B of the Bermuda Housing Act 1980, in respect of the Bermudiana Beach Resort development;

WHEREAS the Minister responsible for tourism, having considered the application, is satisfied that the hotel development is in the national economic interest of Bermuda;

The Minister responsible for tourism, with the written agreement of the Minister of Finance, in exercise of the power conferred by section 5 of the Tourism Investment Act 2017, makes the following Order:

Citation

1 This Order may be cited as the Tourism Investment (Bermudiana Beach Resort) Order 2018.

Interpretation

2 In this Order—

“hotel” means the Bermudiana Beach Resort, as developed by the hotel developer;

“hotel developer” means Bermudiana Development Company Limited, a company incorporated in Bermuda on 31 October 2018;

“hotel occupancy tax” has the meaning assigned by Part V of the Miscellaneous Taxes Act 1976;

“opening date” means the date on which the initial licence to operate granted under the Hotels (Licensing and Control) Act 1969 comes into operation.

Relief

3 (1) Subject to paragraph 4, the hotel developer shall in respect of the hotel be entitled to the following relief—

(a) full relief from customs duty for a period not exceeding 10 years after the hotel’s opening date in respect of any building materials, furnishings,

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fixtures and equipment which are necessary for the building, furnishing and equipping of the hotel;

- (b) for a period beginning with the opening date and ending with the tenth anniversary of that date, full exemption from hotel occupancy tax otherwise payable in respect of the hotel;
- (c) for a period beginning with the sixth anniversary of the opening date and ending on the tenth anniversary of that date, full exemption from land tax otherwise payable in respect of the hotel;
- (d) for a period beginning with the opening date and ending with the tenth anniversary of that date, exemption from the employer's share of the payroll tax otherwise payable in respect of persons employed by the hotel;
- (e) a deferral of the land-holding charges payable under section 96(2) of the Bermuda Immigration and Protection Act 1956 (if so authorised by regulations made under section 102C(1)(a) of that Act) for a period not exceeding ten years after the hotel's opening date;

(2) For the purposes of subparagraph (1)(d), the employer's share of payroll tax means that portion of payroll tax which the employer is not entitled to deduct from an employee's wages under section 19 of the Payroll Tax Act 1995.

Terms and Conditions

4 (1) To qualify for the exemption of land tax under paragraph 3(1)(c), the hotel developer shall, for the relevant period, confirm in writing to the Minister that in years six through ten, 70% of the hotel's staff are Bermudian.

(2) To qualify for the exemption from the employer's share of the payroll tax under paragraph 3(1)(d), the Minister responsible for workforce development shall, for the relevant period, confirm in writing to the Minister, annually, that a management training programme for Bermudians is in operation at the Bermudian Beach Resort hotel.

(3) Where construction of the hotel development is not complete by the third anniversary of the date of this Order, the relief granted under section 3(1) shall cease to have effect.

(4) In this paragraph, "relevant period" means the period for which the exemption is claimed.

Made this day of 2018

Minister of Tourism and Transport