

# [Good the right to repatriate all capital,](https://assignbuster.com/good-the-right-to-repatriate-all-capital/)

Good Day Everyone, Please see below mycontribution towards this week’s discussion.

Considerinternational trade in the context of your own country. Do you think that thesupport at a national level is adequate to promote the trade expansion of MNCs? I do agree that the support of national bodies, which inthis case is the Saint Lucian government, has been adequate to aid promote thetrade expansion of multinational corporations in my country. In fact, a visitto Saint Lucia should be able to verify the imprint of many multinationalcorporations such as Scotiabank, Sandal Hotels, Subway, KFC, Dominos and soforth. The Government of Saint Lucia strongly encourages foreign directinvestment, particularly in tourism and hotel development, information andcommunication technology (ICT), manufacturing and international financialservices. They facilitate this by allowing companies registered inSaint Lucia to have the right to repatriate all capital, royalties, dividendsand profits free of all government taxes or any other charges on foreignexchange transactions.

Additionally, at the standard corporate income tax rateis 30 percent, an International Business Company (IBC) may elect to be exemptedfrom paying income tax or to be liable to income tax on the chargeable incomeof the company at the rate of 1 percent. Full exemption from import duties onparts, raw materials, and production machinery is also available. Can you recommend anysupport structures that either nationally or regionally could be put in placeto facilitate the financial operations of MNCs? As a recommendation, I do believe that the government shouldalso offer support through tax schemes for projects that may socially benefitthe economy such as Research & Development Tax Credits and capitalallowances to reduce tax liabilities. These schemes should recognize the additional cost for businesses thatadopt or engage in investments that improve energy efficiency and reduceenvironmental impact. In addition to the Invest Saint Lucia Act No. 14 of 2014, which addresses government policy to attract investment, the Trade License Act, Development Incentives Act, Special Development Areas Act, Income Tax Act, FreeZones Act, Tourism Development Act, and Fiscal Incentives Act, all have someimpact on the facilitation of the financial operations of MNCs.

For instance, the Fiscal Incentives Act provides a list of incentives including a tax holidayof up to 15 years for approved projects; a waiver of import duty andconsumption tax on imported machinery and plant equipment.